Biju Patnaik Institute of IT & Management Studies, Bhubaneswar

EMPLOYEE RELATIONS (161MN802C)

COURSE OBJECTIVE:
1. Describe the nature and importance of employee relation to develop a good and healthy employee-employer relationship in the organization.
2. To know the different acts of industrial relation system for effective management of trade unions.

Module - I: .Introduction to Employee Relations:
Introduction, Overview of Employee Relations, Importance of Employee Relations, Employee Relations Management Tool, Core Issues of Employee Relations Management, Strategic Employee Relations Management: Introduction, Different Strategy Levels in an Organization, Strategy and Employment Policies, Future Challenges, The Psychological Contract.

Module – II: Industrial Relations:
Concept, Scope and Approaches to Industrial Relations–Unitary, Pluralistic, and Radical approach, Industrial Relations Systems (IRS), Trade Unionism: Concept, structure and function. Industrial Dispute : Code of Discipline and Grievance Management, Dispute Resolution and Industrial Harmony. Collective Bargaining.

Module – III:
Tripartite and International Bodies: Tripartism and IR, ILC & SLC, ILO–Structure and Functions, Conventions and Recommendations, Bipartism Link with Tripartism, Strengthing Tripartite Social Dialogue. Workers Participation in Management.

Reference Books:

1. Employee Relations, Elizabeth Aylott, Kogan Page
2. Labour Welfare,Trade Unionism and Industrial Relation- Puneker, Deodhar-Himalaya
3. Industrial Relations, C.S. VenkataRatnam, Oxford
4. Industrial Relations, Trade Unions & Labour Legislation, Sinha &Shekhar, Pearson
5. Industrial Relations, Monappa, TMH

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MODULE-I

Industrial Relations:

Concept:

The term "industrial relations" refers to industry and relations. "Industry" means "any productive activity in which an individual is engaged" and "relations "means "the relations that exist in the industry between the employer and his workers". The term 'industrial relations' is so broad that it is not amenable to a precise definition. But the term is used synonymously with labour relations, employee relations and union-management relations. Even the personnel management is used interchangeably with industrial relations. In its strict sense, the term "industrial relations "means "relationship between management and workmen in a unit or an industry". In its wider connotation, it means the organization and practice of multi-pronged relationships between workers and management, unions and workers, and the unions and managements in an industry.

The term industrial relations explain the relationship between employees and management which stem directly or indirectly from union-employer relationship. Industrial relations are the relationships between employees and employers within the organizational settings.

Traditionally, the term industrial relations is used to cover such aspects of industrial life as trade unionism, collective bargaining, workers' participation in management, discipline and grievance handling, industrial disputes and interpretation of labor laws and rules and code of conduct.

In the words of Lester**,** *"Industrial relations involve attempts at arriving at solutions between the conflicting objectives and values; between the profit motive and social gain; between discipline and freedom, between authority and industrial democracy; between bargaining and co-operation; and between conflicting interests of the individual, the group and the community".*

Industrial relations play a crucial role in establishing and maintaining industrial democracy. The establishment of good industrial relations depends on the constructive attitude on the part of both the management and the unions. The maintenance of good human relationships is the main theme of industrial relations, because in its absence the whole edifice of organisational structure may crumble.

Definition

According to the **ILO,** "Industrial relations deal with either the relationships between the State and employers' and workers' organization and the relation between the occupational organizations themselves".

The **Labour Dictionary** defines "Industrial relations" as "the relations between employers and employees in industry."

According to **Dale Yoder**, "Industrial relations" describes "relationships between managements and employees or among employees and their organizations that characterize or grow out of employment."

According to **J.T. Dunlop,** "Industrial relations are the complex interrelations among managers, workers and agencies of the government"

Characteristics of IR

- Industrial Relations are outcome of employment relationship in an industrial enterprise.
- Industrial relations develop the skills and methods of adjusting to and cooperating with each other.
- IR system creates complex rules and regulations to maintain harmonious relations.
- The Govt. involves to shape the industrial relations through laws, rules, agreements , etc.
- The important factors of IR are: employees and their organisations, employer and their associations and Govt.

The main aspects of IR are:

- Promotion and development of healthy labour-management relations;
- Maintenance of Industrial peace and avoidance of Industrial strike; and
- Development of Industrial democracy.

Importance of Industrial Relations:

An economy organized for planned production and distribution, aiming at the realization of social justice and welfare of the massage can function effectively only in an atmosphere of industrial peace. If the twin objectives of rapid national development and increased social justice are to be achieved, there must be harmonious relationship between management and labour. The healthy industrial relations are key to the progress. Their significance is discussed as under;

1. **Uninterrupted production** – The most important benefit of industrial relations is that this ensures continuity of production. This means continuous employment for all from manager to workers. The resources are fully utilized, resulting in the maximum possible production. There is uninterrupted flow of income for all. Smooth running of an industry is of vital importance for several other industries; to other industries if the products are intermediaries or inputs; to exporters if these are export goods; to consumers and workers, if these are goods of mass consumption.

2. **Reduction in Industrial Disputes** – Good industrial relation reduces the industrial disputes. Disputes are reflections of the failure of basic human urges or motivations to secure adequate satisfaction or expression

which are fully cured by good industrial relations. Strikes, lockouts, go-slow tactics, gherao and grievances are some of the reflections of industrial unrest which do not spring up in an atmosphere of industrial peace. It helps promoting co-operation and increasing production.

3. **High morale** – Good industrial relations improve the morale of the employees. Employees work with great zeal with the feeling in mind that the interest of employer and employees is one and the same, i.e. to increase production. Every worker feels that he is a co-owner of the gains of industry. The employer in his turn must realize that the gains of industry are not for him along but they should be shared equally and generously with his workers. In other words, complete unity of thought and action is the main achievement of industrial peace. It increases the place of workers in the society and their ego is satisfied. It naturally affects production because mighty co-operative efforts alone can produce great results.

4. **Mental Revolution** – The main object of industrial relation is a complete mental revolution of workers and employees. The industrial peace lies ultimately in a transformed outlook on the part of both. It is the business of leadership in the ranks of workers, employees and Government to work out a new relationship in consonance with a spirit of true democracy. Both should think themselves as partners of the industry and the role of workers in such a partnership should be recognized. On the other hand, workers must recognize employer's authority. It will naturally have impact on production because they recognize the interest of each other.

5. **New Programmes** – New programmes for workers development are introduced in an atmosphere of peace such as training facilities, labour welfare facilities etc. It increases the efficiency of workers resulting in higher and better production at lower costs.

6. **Reduced Wastage** – Good industrial relations are maintained on the basis of cooperation and recognition of each other. It will help increase production. Wastages of man, material and machines are reduced to the minimum and thus national interest is protected. Thus, from the above discussion, it is evident that good industrial relation is the basis of higher production with minimum cost and higher profits. It also results in increased efficiency of workers. New and new projects may be introduced for the welfare of the workers and to promote the morale of the people at work.

FACTORS OF INDUSTRIAL RELATIONS

- **Institutional factors;** These factors include government policy, labour legislations, voluntary courts, collective agreement, employee courts, employers federations, social institutions like community, caste, joint family, creed, system of beliefs, attitudes of works, systems of power status.
- **Economic factors;** These factors include economic organization, like capitalist, communist mixed etc, the structure of labour force, demand for and supply of labour force.
- **Technological factors;** These factors include mechanization, automation, rationalization, computerization

- **Social and cultural factors;** These factors include population, religion, customs and traditions of people , ethnic groups, cultures of various groups of people
- **Political factors;** These factors include political system in the country , political parties and their ideologies, their growth, mode of achievement oof their policies, involvement in trade unions
- **Governmental factors;** These factors include governmental policies like industrial policy, economic policy, labour policy, export policy.

There are **two important aspects** of the industrial relations scene in a modern industrial society:

1. Cooperation
2. Conflict.

Cooperation:
Modern industrial production is based upon cooperation between labour and capital. Here labour stands for the workers who man the factories, mines and other industrial establishment or services. Capital stands for the owners of business enterprises who supply the capital and own the final product. The cooperation between the two is one of the basic requirements for the smooth functioning of modern industries and the growth of industrialization.

Conflict:
The second aspect of the system of industrial relations obtaining today is the existence of conflict, conflict, like cooperation is inherent in the industrial relations set up of today. The prevailing industrial unrest, the frequency of work –stoppages resulting either from strikes or lock-outs, and the slowing down of production, are the occasional expressional of the ever present and latent conflict between workers and the management.

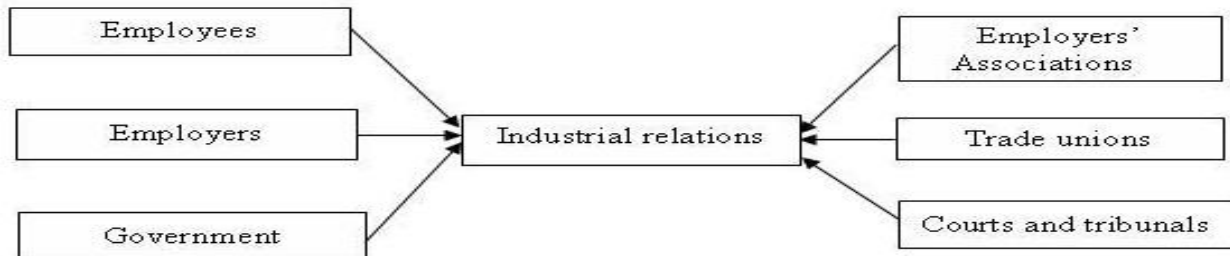### Parties to IR / Actors in the IR system:

The major parties to IR are the employees, employees' representatives, employer, associations of employers, government, and courts and tribunals.

Employers: Employers possess certain rights vis-à-vis labors. They have the right to hire and fire them. Management can also affect workers' interests by exercising their right to relocate, close or merge the factory or to introduce technological changes.

Employees: Workers seek to improve the terms and conditions of their employment. They exchange views with management and voice their grievances. They also want to share decision making powers of management. Workers generally unite to form unions against the management and get support from these unions.

Government: The central and state government influences and regulates industrial relations through laws, rules, agreements, awards of court and the like. It also includes third parties and labor and tribunal courts.

Objectives of IR

- To check industrial conflicts and minimize the occurrence of strikes, lockouts and gheroas.

- To minimize labor turnover and absenteeism by providing job satisfaction to the workers.

- To establish and develop industrial democracy based on workers' partnership in management of industry

- To facilitate government control over industries in regulating production and industrial relations.

- To maintain industrial democracy based on participation of labour in the management and gains of industry.

- To raise productivity by reducing tendency of high labour turnover and absenteeism.

- To ensure workers' participation in management of the company by giving them a fair say in decision-making and framing policies.

- To establish a proper channel of communication.

- To increase the morale and discipline of the employees.

- To safeguard the interests of the labour as well as management by securing the highest level of mutual understanding and goodwill between all sections in an industry.

Employee Relationship Management:

Employees are the major assets of an organization. It is essential that the employees perform together as a collective unit and contribute equally towards the realization of a common goal. No task can be accomplished if the individuals are engaged in constant conflicts and misunderstandings. It has been observed that targets are achieved at a much faster rate if the employees work together and share a warm

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relationship with each other. Employees must be comfortable with each other to deliver their best and enjoy their work.

Employee relationship management refers to managing the relation between the various employees in an organization. The relationship can be between employee and the employer as well as between employees at the same level.

Employee Relationship Management (ERM) is a tool and a strategic process to manage and increase motivation in the workforce by increased focus on continuous perfection of the individual relationships between the employer and each employee. The objective of employee relationship management is to establish and nurture harmonious relationships between organization management and employees for the achievement of organizational goals. Effective employee relationship management requires cooperation between managers, representatives and employees. This calls for development of policies that help to maintain fairness and efficiency in the work place. Corporate culture provides a benchmark of the standards of performance among employees: it provides clear guidelines on attendance, punctuality, concern about quality, and customer service. Moreover, the management style of line managers directly affect employee relations, since line managers are crucial links to the human resource function and orchestrate the distinctive skills, experiences, personalities, and motives of individuals. Good management of employee relations in any business unit ensures schemes for rewards and recognition, transparent communication system and proper care towards employee grievances.

Good relationships between employers and employees do not just happen; they are the result of a strategy and activities that employee relations managers design to improve communication between employees and management. Employee relations management creates ways to boost employees' attitudes. Best employee relationship management practices incorporate labor and employment laws, resourcefulness and human resource expertise in developing practices that improve working relationships.

Employee relationship management is an art which effectively monitors and manages the relation between individuals either of the same team or from different teams. Employee relationship management activity helps in strengthening the bond among the employees and ensures that each one is contented and enjoys a healthy relation with each other.

Employee relationship management includes various activities undertaken by the superiors or the management to develop a healthy relation among the employees and extract the best out of each team member.

Let us go through certain activities which are imperative for a healthy employee relationship management:

- **Transparency in communication is of utmost importance for a healthy employee relationship management**. A single point of contact must be assigned who should be made responsible for handling queries of all the team members and escalating it to the seniors. Confusions are bound to arise if all of them would walk up to their superiors with their problems. Let the team members decide their SPOC. In such cases employees actually know who to get in touch with in case of a query and in the absence of their superiors. The hierarchy should not be too complicated and every employee should be accessible to each other. Important information must be passed on in the

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presence of all, where everyone has the liberty to express his opinions freely. Important information can also be put on the notice boards for everyone to read and get a common picture. If any one has performed exceptionally well, do display his name on the bulletin board. Let everyone read it and get inspired to perform better next time. Encourage morning meetings where individuals can come together and know each other well. Exchanging information through emails is also an important way to improve the relation among the employees as everyone knows what is being communicated to the other individual.

- **Encourage group activities at the workplace**. Motivate individuals to work together probably in a group so that the comfort level increases. The more they talk, the more they get to know each other. Give them a target, a deadline and ask them to take each other's help and reach to a conclusion. They would definitely come closer this way and start trusting each other more.

An individual spends the maximum time at his workplace and one should treat his team members as a part of one's extended family. It is important to celebrate festivals at organization, the same way we do at our homes. Celebrate each other's birthday and do ask for treats. Such informal get together go a long way in improving the relation among the employees. Individuals come together, enjoy together and come to know lot many things which actually they don't bother to find out during the normal working hours. Families must also be invited for a better bonding. The team leaders must ask their team members to take their lunch together so that they discuss other things apart from their daily work.

- **Assign challenging work to your team members so that they feel motivated to deliver their level best**. Do not assign something which they do not find interesting. The responsibilities must be divided equally among the team members and no employee should be overburdened. Every employee should be aware of his key responsibility areas to avoid confusions. No way should the work get monotonous.
- **The concept of workstations and cubicles must be promoted rather than closed cabins**. People sitting in closed cabins tend to get cut off from rest of the employees in the organization and are generally lost in their own sweet world. They would enter their cabins in the morning and come out in the evening and thus sometimes even don't get the opportunity to exchange greetings with their fellow workers. People sitting in workstations tend to talk to each other more often even in between work and thus relationship improves. One can even walk up to the other's desk to have a brief chit chat in order to take a small break and feel relaxed. Employees sitting together discuss many things and even share their secrets, thus the trust increases. It is commonly observed that if any of your colleagues sitting next to you is on leave for some days, you start missing him.
- **The employees must be motivated to avoid politics and blame games at work**. Such activities are considered highly unproductive and spoil the relationship among the employees. Backbiting is a strict no no at the workplace. Avoid getting into unnecessary controversies and useless criticism at work. Respect your team members as well as your superiors. It is important that one trusts his management rather than unnecessarily cribbing and finding faults. Avoid conflicts and try to adjust with each other. It is okay to be friends with your colleagues but don't have unrealistic expectations from anyone.

Last but not the least **the superiors or the team leaders must not act pricy and try to dominate their team members**. The "Hitler approach" does not work now days. No one should be afraid of his boss, instead treat him as his well-wisher and mentor who is always there to support him. The

employees must be able to fall back on their team leader anytime. The team leader must understand the needs and expectations of his employees and should not be too harsh to them. If they want a leave for a genuine reason, do grant them. Don't be after their life if you find them chatting with their family or friends over the phone once in a while or log on to any social networking site. These things are natural but make sure the work does not suffer.

- **Partialities must be avoided for a better employee relationship**. Treat everyone as one and every individual must respect each other's privacy. There is a limit to everything and thus over indulgence in each other's work, too much of a friendly nature should be avoided.

For a better employee relationship management, it is important that employees have a positive frame of mind and don't always consider their colleagues as their enemies. Don't always assume that your fellow team member would say something against you in front of your boss. Avoid disputes, misunderstandings, instead work together, enjoy together and make the organization a better place to work.

Maintaining healthy employee relations in an organization is a pre-requisite for organizational success. Strong employee relations are required for high productivity and human satisfaction. Employee relations generally deal with avoiding and resolving issues concerning individuals which might arise out of or influence the work scenario. Strong employee relation depends upon healthy and safe work environment, cent percent involvement and commitment of all employees, incentives for employee motivation, and effective communication system in the organization. Healthy employee relations lead to more efficient, motivated and productive employees which further lead to increase in sales level.

Good employee relation signifies that employees should feel positive about their identity, their job as well as about being a part of such a great organization. Despite the importance of strong and healthy employee relations, there are circumstances in the life of every organization when employee and management relations are hampered. Instances of such circumstances are as follows-

1. When the employees do not behave as per accepted norms of behaviour, it is known as **employee indiscipline**. Absenteeism, change in employee's behaviour, slow performance and grievances are all forms of employee indiscipline. Thus, when the employees fail to meet management expectations in terms of standard performance and behaviour, it is referred to as indiscipline. In such cases, it must be ensured by the management that steps should be taken so that employee's behaviour is in conformity with the managerial expectations.
2. Similarly, the employees also expect from the management to provide them a safe working environment, fair treatment, proper incentives, participation in decisions, and needs satisfaction. The failure on part of management to meet these expectations is termed as **employee grievance**.
3. When the employees fail to meet their own expectations whether in terms of personal goals, career goals, performance, self-respect, etc it is referred to as **employee stress**. Excessive workload, insufficient workload, peer pressure, excessive/unreasonable use of authority by the management, lack of promotional opportunities, nature of job, etc all again lead to employee stress.

All the above mentioned organizational factors influencing employees relation must be carefully tackled. An optimistic approach to strengthen disciplinary culture rooted on shared norms of employees should be adopted. An effective grievance redressal system should be there. Stress management strategies should be followed in the organization.

Improving Employee Relations

Employee relations must be strengthened in an organization. To do so, following points must be taken care of:-

i. Employee has expectation of fair and just treatment by the management. Thus, management must treat all employees as individuals and must treat them in a fair manner. Employee favoritism should be avoided.

ii. Do not make the employees' job monotonous. Keep it interesting. Make it more challenging. This can be done by assigning employees greater responsibilities or indulging them in training programmes.

iii. Maintain a continuous interaction with the employees. Keep them updated about company's policies, procedures and decisions. Keep the employees well-informed. Informed employees will make sound decisions and will remain motivated and productive. Also, they will feel as a member of organizational family in this manner.

iv. Employees must be rewarded and appreciated for a well-done job or for achieving/over-meeting their targets. This will boost them and they will work together as a team.

v. Encourage employee feedback. This feedback will make the employers aware of the concerns of employees, and their views about "you" as an employer.

vi. Give the employees competitive salary. They should be fairly paid for their talents, skills and competencies.

vii. Be friendly but not over-friendly with the employees. Build a good rapport with the employee. The employee should feel comfortable with the manager/supervisor rather than feeling scared.

Why Strong Employer Employee Relation is Important

Employer Employee Relation Importance Every individual shares a certain relationship with his/her colleagues at the workplace. The relationship is warm, so-so or bad. The relationship can be between anyone in the organization – between co workers, between an employee and his superior, between two members in the management and so on. It is important that the employees share a healthy relationship with each other to deliver their best performances.

Employer Employee Relation refers to the relationship shared among the employees in an organization. **It is an art which effectively monitors and manages the relation between individuals either of the same team or from different teams.** The employees must be comfortable with each other for a healthy environment at work. It is the prime duty of the superiors and team leaders to discourage conflicts in the team and encourage a healthy relationship among employees. Healthy employee relation has a close connect with improving productivity and reducing employee turnover.

In today's era where an employee is considered to be an Asset, it is the prime duty to look after their sentiments so that "**THE ASSETS FOR TODAY DON'T TURN OUT TO BE A LIABILITY IN THE LONG RUN".**

Let's go through some steps and strategies to strengthen healthy relationship in the organization:

- **Encourage them to be friendly with each-other**
- Involve your Team-mates

- Schedule a get-together on timely basis
- Encourage effective communication
- Say No To Favoritism

Communication is not only important in our daily lives but also plays a crucial role at workplace. It is one of the most important factors which either improves or spoils the relationship among employees. There are some other features which make strong employee relation very important. Employer Employee Relation They are:

- **Improves Productivity**: Strong employment relations create a pleasant atmosphere within the work environment; it increases the employee motivation and can also be increased through improved employee morale.
- **Increase Employee Loyalty:** Creating the productive and pleasant work environment has a drastic effect on an employee's loyalty to the business, it encourages a loyal workforce. Having such a workforce improves employee retention, in doing so the cost of recruitment, hiring and training is cut drastically.
- **Reduces Conflicts:** When a work environment is efficient and friendly the extent of conflict within the workplace is reduced. Less conflict results in the employees being able to concentrate on the tasks at hand and they are therefore more productive.
- **Increased Morale:** One feels secure and confident and thus delivers his best. It is okay if you share your secrets with your colleagues but you should know where to draw the line. A sense of trust is important.
- **Easy Delegation:** This also allows you and the employees to acknowledge and understand their strengths and weaknesses. These are a few points to consider when delegating tasks;
1. Assign tasks that challenge your employees
2. Assume responsibility for your employees mistakes
3. Do not take credit for your employees achievements
4. Accept your own personal mistakes

Maintaining a pleasant employer-employee relationship requires knowing each others resistance to stress and sensitivity levels in order to communicate feedback more effectively. Basically it's all about approaching someone the way they need to be approached in order to bring out the best in them.

"Employer and Employees" are the two wheels of the engine of the organization, a good and healthy relationship between these two wheels will only take the organization forward."

Strategies to Improve Employee Relations

It is important that the management promotes healthy employee relations at workplace to extract the best out of each individual. Competition is essential but it should not promote negativity or any kind of enmity among the employees.
Let us go through some steps and strategies for a healthy employee relationship in the organization.

- **Involve your team members:** They should feel important and indispensable for the organization. An individual must be assigned responsibilities according to their interests and responsibilities. Don't impose work on them. Let them willingly accept challenges. They must enjoy whatever they do otherwise they would end up fighting with their superiors and fellow workers.

- **Encourage individuals to share their work with each other:** This way people tend to talk with each other more, discuss things among themselves and thus the comfort level increases. Let them work together and take decisions on their own. A team leader should intervene only in extreme cases of conflicts and severe misunderstandings.

- **Assign them targets and ask all your team members to contribute equally and achieve the target within the desired time frame**. Motivate them to work in groups. This way employees have no other choice than to trust their fellow workers and take each other's help as well. An employee must have the liberty to express his ideas and all of them should sit together to decide on something which would be beneficial to all.

- **One should try his level best that all the employees must have their lunch together at the same time**. Half an hour to fourty five minutes must be dedicated to lunch and one should not discuss work during lunch time. There are other topics as well. Discuss movies, sports, shopping or any other thing under the sun. There will be no harm if the employees go out together once in a while for get togethers, picnics or shopping. Ask them to bring their family members as well.

- **Encourage effective communication among the team members**. It has been observed that poor communication leads to confusions and misunderstandings. The communication has to be precise and relevant. One should not play with words and be very specific about his expectations from his fellow workers as well as the organization. If you are not very happy with your colleague's proposal, don't keep things to yourself. Voice your opinion and do express your displeasure. It will definitely prevent a conflict among employees later and improve the relations among them. Be straightforward. Don't pretend things just to please your boss. If you find anything unacceptable, discuss with your superior but in a polite way.

- **Written modes of communication must be promoted among the employees for better transparency**. Verbal communication is not as reliable as written communication. The agendas, minutes of the meeting, important issues must be circulated among all through emails. Make sure that all the related employees are in the loop. Don't communicate individually with any of the employees as the other one might feel neglected and left out.

- **Morning meeting is another effective way to improve the relation among the employees**. Let everyone come together on a common platform and discuss whatever issues they have. The meetings must not be too formal. Allow the team members to bring their cups of coffee. Start your day with a positive mind. Greet everyone with a warm smile. Exchange greetings and compliments. If any of your team member is not in a pleasant mood, do take the initiative and ask what is wrong with him. Try your level best to provide him a solution.

- **Organize birthday parties, Christmas parties, New Year parties etc**. at the workplace. These small initiatives actually go a long way in strengthening the bond among the employees. Ask all of them to decorate the office, their work stations and make all the necessary arrangements themselves. You will actually be surprised to find out that everyone would be ready with some thing or the other. Employees would actually take the initiative and organize things on their own. Let them enjoy with each other and have fun.

  Praise the individual if he has done something exceptionally well. Reward him suitably. The names of the top performers must be displayed on the notice boards for others to draw inspiration from them. Encourage everyone to perform well to live up to the expectations of the superiors as well as the management.

A healthy relation among employees promotes a positive ambience at the work place and employees feel happy and satisfied at work. They look forward to going to office daily and also work hard to realize their team's as well as organization's goals.

The Three Levels of Strategy

Strategy is at the heart of business. All businesses have competition, and it is strategy that allows one business to rise above the others to become successful. Even if you have a great idea for a business, and you have a great product, you are unlikely to go anywhere without strategy.

Strategy can be formulated at three levels, namely, the corporate level, the business level, and the functional level. At the corporate level, strategy is formulated for your organization as a whole. Corporate strategy deals with decisions related to various business areas in which the firm operates and competes. At the business unit level, strategy is formulated to convert the corporate vision into reality. At the functional level, strategy is formulated to realize the business unit level goals and objectives using the strengths and capabilities of your organization. There is a clear hierarchy in levels of strategy, with corporate level strategy at the top, business level strategy being derived from the corporate level, and the functional level strategy being formulated out of the business level strategy.

In a single business scenario, the corporate and business level responsibilities are clubbed together and undertaken by a single group, that is, the top management, whereas in a multi business scenario, there are three fully operative levels.

Levels of Strategy

Corporate Level

Corporate level strategy defines the business areas in which your firm will operate. It deals with aligning the resource deployments across a diverse set of business areas, related or unrelated. Strategy formulation at this level involves integrating and managing the diverse businesses and realizing synergy at the corporate level. The top management team is responsible for formulating the corporate strategy. The corporate strategy reflects the path toward attaining the vision of your organization. For example, your firm may have four distinct lines of business operations, namely, automobiles, steel, tea, and telecom. The corporate level strategy will outline whether the organization should compete in or withdraw from each of these lines of businesses, and in which business unit, investments should be increased, in line with the vision of your firm.

Business Level

Business level strategies are formulated for specific strategic business units and relate to a distinct product-market area. It involves defining the competitive position of a strategic business unit. The business level strategy formulation is based upon the generic strategies of overall cost leadership, differentiation, and focus. For example, your firm may choose overall cost leadership as a strategy to be pursued in its steel business, differentiation in its tea business, and focus in its automobile business. The business level

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strategies are decided upon by the heads of strategic business units and their teams in light of the specific nature of the industry in which they operate.

Functional Level

Functional level strategies relate to the different functional areas which a strategic business unit has, such as marketing, production and operations, finance, and human resources. These strategies are formulated by the functional heads along with their teams and are aligned with the business level strategies. The strategies at the functional level involve setting up short-term functional objectives, the attainment of which will lead to the realization of the business level strategy.

For example, the marketing strategy for a tea business which is following the differentiation strategy may translate into launching and selling a wide variety of tea variants through company-owned retail outlets. This may result in the distribution objective of opening 25 retail outlets in a city; and producing 15 varieties of tea may be the objective for the production department. The realization of the functional strategies in the form of quantifiable and measurable objectives will result in the achievement of business level strategies as well.

Issues and Challenges faced in Employee Relations:

Despite the progress made in the past, various issues and challenges have surfaced in this area of practice that have made it difficult for organizations to function seamlessly. Of these, issues, which have a critical business imperative, are as follows:

1. There is a pressing need to bring reforms in Labor Laws in order to create a progressive environment.

2. Efforts are needed to enhance integration of the workforce with business.

3. It is essential to create and sustain an organizational climate that optimizes overall growth and enables harmonious employee relations. This in turn will promote and sustain industrial growth by improving workforce employability and generating greater employment.

Concerns for Industrial Relations cannot be limited to the maintenance of industrial harmony at enterprise level but also to prevailing issues of socioeconomic conditions prevailing in the country at the macro level. Industrial Relations systems and practices therefore must be directed towards responding major challenges surfacing in the new economic order. Healthy industrial relation cannot be maintained unless broader developmental issues are addressed.

Some of the challenges impacting on Industrial Relation can be stated as follows:-

• India figures at the bottom of the 10newly industrialized countries in terms of the competitiveness of its human resources according to the World Competitiveness Report. The World Competitiveness Report examines the competitive advantage of human resources on the basis of skills, motivations and flexibility, age structure and health of the people. The criteria included in this factor are: population, employment, vocational training, and public expenditure on education, management quality, income levels and health factors.

• India's rank is one of the lowest-134 out of a total of 160 countries in terms of Human Development according to the 1992 UNDP Report on Human Development. The index takes into account 3 parameters i.e. longevity (life expectancy), knowledge (adult literacy) and decent standard of living (per capital income).

• India scored 14 points and obtained medium freedom ranking (11 to 30 points) in terms of Human Freedoms Index(UNDP,1992),covering 40 indicators of freedom to exercise choices in cultural, social, economic and political affairs.(Venkatratnam,1994)

• Although there has been significant reduction in the proportion of people below poverty line, the magnitude is still very large. As compared to many developing countries, India's performance in terms of human resources is not satisfactory. Although the literacy has increased to 52% in 1991, the no. of illiterates has increased from 301.9millon in 1981 to 328.9million in 1991.

• Labour is a subject in the concurrent list of the Indian Constitution where both centre and state can amend and frame the labour laws. As a result, labour law varies from state to state and thus it becomes difficult for IR managers to follow the laws strictly.

• In this cut throat competition, dependence on contract labours is increasing at phenomenal rate. There are not that many amendments in Contract Labour (Regulation and Abolition) act 1970, which could really cover all the dynamism of Contract Labour issues. As a result, IR managers are found with albatross around their neck.

• The roles of the unions are defined, but their responsibilities are not mentioned.

• A 'protected workman' is defined, but there are no such provisions for factory managers.

• Productivity & Flexibility are not mentioned anywhere in ID Act 1948, so it becomes difficult to retrench any worker or take any steps against him even though he is not working as per expectations.

• Formation of trade union is a fundamental right in India.

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- There is a lot of misconceptions regarding 'collective bargaining' issue if it is fundamental right or not.

- Difference in wages of the regular employees and contract labours is a major issue of concern and is one of the main causes for several disputes because many times it has been seen that there is no difference in nature of the job between regular employee and contract labour.

So, in race of earning profit many organizations have introduced the concept of contract labour in practice , which is the most critical issue as far as the applicability of labour laws are concerned. Many cases(contract labour issues) either it is B.H.E.L Workers Association ,Hardwar v Union of India (AIR 1985 SC409) or Gammon India Limited v Union of India (AIR 1967 SC691), one can find the difference in opinions regarding implementation of labour laws. Every judgement has its own opinion towards the applicability of labour laws. Not only contract labour issues, an IR manager have to be very cautious while dealing with issues regarding trade unions, collective bargaining, compensations and different issues in factory.

How to face these challenges

For sustainable growth, organizations have forgotten the essence of employment relationship and allowed the business to be driven by their dreamy thought of "PROFIT AT ANY COST." They knowingly or unknowingly are involved in the practice of exploitation of the 'social resources'. It has resulted into the peril of indifference among the workers.

This is no denying the fact that the Manesar incident has not only damaged the image of Maruti Udyog but also damaged the social image of incredible India and specially Gurgaon. So, let us see how can we manage these issues.

1. To deal with Trade Unions, Contractors, labours , IR managers should minimize the use of jargons and they should try to communicate in simple language and if possible try to communicate in local language to avoid any confusion.

2. Review different labour laws, civil laws and consult with the company's legal representative to assure if the company is in compliance with all of these regulations.

3. Always try to listen closely to the employee's concern. It is not always necessary to give judgement or suggestions and to enforce certain policies, which are not in law.

4. Sometimes to settle down dispute, An IR manager can take the decision on the basis of their intuition.

5. Job rotation policy or transfer of the workers are the another way to settle down the dispute among the workers or employees.

6. They should not try to check the workmen to form unions or groups, which may lead to aggression among them.

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So, it can be easily understood that the IR issues are very critical and it depends upon managers to make it simple.

Psychological Contract

The psychological contract refers to the **unwritten set of expectations** of the employment relationship as distinct from the formal, codified employment contract. Taken together, the psychological contract and the employment contract define the employer-employee relationship.

Originally developed by organizational scholar Denise Rousseau, the psychological contract includes informal arrangements, mutual beliefs, common ground and perceptions between the two parties.

The psychological contract develops and evolves constantly based on communication, or lack thereof, between the employee and the employer. Promises over promotion or salary increases, for example, may form part of the psychological contract.

Managing expectations is a key behavior for employers so that they don't accidentally give employees the wrong perception of action which then doesn't materialize. Employees should also manage expectations so that, for example, difficult situations or adverse personal circumstances that affect productivity aren't seen by management as deviant.

Perceived breaches of the psychological contract can severely damage the relationship between employer and employee, leading to disengagement, reduced productivity and in some cases workplace deviance. Fairness is a significant part of the psychological contract, bound up in equity theory – employees need to perceive that they're being treated fairly to sustain a healthy psychological contract.

A psychological contract can be understood as a 'deal' between employer and employee concerning 'the perception of the two parties, employer and employee, of what their mutual obligations are towards each other.

Psychological contracts are a set of 'promises' or 'expectations' that are exchanged between the parties in an employment relationship. These parties include employers, managers, individual employees and their work colleagues. Unlike formal contracts of employment, they are often tacit or implicit. They tend to be invisible, assumed, unspoken, informal or at best only partially vocalised. Because of this, you have to make a determined effort to find out what they are.

Although it is unwritten and intangible, it represents the mutual expectations that are felt. It is distinct from an employment contract, which is a written, rigid and formalised document.

Psychological contracts – like the individuals connected with them – change over time and are thus inherently unstable. As we ourselves change, as the composition of our work team changes around us and as our business environment changes, so too do our respective psychological contracts. They become even more complex, because each of us tends to project aspects of the psychological contract that we think

we've negotiated (but may never have checked out explicitly) on to how we think that other people should behave towards us and to each other at work.

This can create huge problems. We use psychological contracts as a kind of mental map to help us to navigate our way through our working day. If we are not conscious of the existence of this mental map, it may lead us unwittingly to avoid or resist embracing necessary change.

Without effective two-way conversation, the contract between employee and employer (or even employee and employee) can become imbalanced and a "breach" can occur. Breaches and how they occur will be discussed later in the article.

A balanced contract shows employees their employer values and respects them and finds their role within the company important to its success. This leads to increases in productivity and a positive impact on the business itself. Consistent interaction between employer and employee can improve employee loyalty and further allows the employee to use their talent to promote and progress the company's goals.

Thus, the psychological contract is the responsibility of both the employee and the employer. Both have separate responsibilities to guard against potential breaches. For the employer, it's about making sure not to give the wrong perception to an employee and to make sure promises are upheld. For the employee, it's about managing their expectations so that difficult situations or adverse personal circumstances aren't seen as negatively impacting productivity and aren't seen as a worker "acting out".

Importance

Psychological contracts serve an important role within the organization. First of all, not everything can be spelled out in a traditional contract you sign with the company (nor would this be a good idea in many instances).

For instance, a company is unlikely to promise your advancement every X years in exchange for Y in a physical contract. This is because employee performance and varying market conditions can easily influence that ability to, and timeliness of, such advancements.

As another example, it's hard to codify something like hard work. Sure, you can specify in a contract that the employee has to work 40 hours a week but those 40 hours can be spent playing solitaire. And trying to come up with every scenario of what an employee can and cannot do that constitutes hard work (or not) is near impossible and completely impractical.

This is why psychological contracts are used to fill in the holes, so to speak. They are used to attract and keep highly-skilled employees with promises that would otherwise be too difficult or cumbersome to spell out in a traditional contract, in exchange for something that might be implicitly understood or vocally described.

The psychological contract is certainly an important aspect of the employment relationship as it invisibly binds the employer and the employee through a set of expectations. For the individual in an organisation, the psychological contract is mostly relevant as it directly affects the level of motivation, commitment and

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morale of that person. Moreover, a positive psychological contract helps to boost the productivity and performance of an employee.

Thus, to gain the commitment and loyalty of individual employees, it becomes essential that organisations put in place appropriate systems to foster the identification of employee expectations and ways to fulfill them. However, expectations are not easily identified, both on the employers` and employees` side. These often give rise to breaches on behalf of either one or both parties.

The maintaining of a positive psychological contract with all members of an organisation thus becomes a primary focus of the HR practitioner and HR practices play an important part in that if those are carefully linked to the psychological contract.

The psychological contract and the employment relationship. The psychological contract is best seen as a metaphor; a word or phrase borrowed from another context that helps us make sense of our experience. The psychological contract is a way of interpreting the state of the employment relationship.

As described by Guest et al (1996), the psychological contract may provide some indication of the answers to the two fundamental employment relationship questions that individuals pose: 'What can I reasonably expect from the organization?' and 'what should I reasonably be expected to contribute in return?' But it is unlikely that the psychological contract and therefore the employment relationship will ever be fully understood by either party.

The aspects of the employment relationship covered by the psychological contact will include from the employee's point of view:

• How they are treated in terms of fairness, equity and consistency;

• Security of employment;

• Scope to demonstrate competence;

• Career expectations and the opportunity to develop skills;

• Involvement and influence;

• Trust in the management of the organization to keep their promises. From the employer's point of view, the psychological contract covers such aspects of the employment relationship as competence, effort, compliance, commitment and loyalty.

How to develop psychological contract

Psychological contracts are not developed by means of a single transaction; they evolve over time and can be multi-faceted. There are many contract makers who exert influence over the whole duration of an employee's involvement with an organization. Spindler (1994) comments that:

Every day we create relationships by means other than formal contract. As individuals form relationships they necessarily bring their accumulated experience and developed personalities with them. In ways unknown to them what they expect from the relationship reflects the sum total of their conscious and unconscious learning to date.

The problem with psychological contracts is that employees are often unclear about what they want from the organization or what they can contribute to it. Some employees are equally unclear about what they expect from their employees. Because of these factors, and because a psychological contract is essentially implicit, it is likely to develop in an unplanned way with unforeseen consequences. Anything that management does or is perceived as doing that affects the interests of employees will modify the psychological contract. Similarly the actual or perceived behaviour of employees, individually or collectively, will affect an employer's concept of the contract.

Steps required to develop a positive psychological contract

• Define expectations during recruitment and induction programmes.

• Communicate and agree expectations as part of the continuing dialogue that is implicit in good performance management practices.

• Adopt a policy of transparency on company policies and procedures and on management's proposals and decisions as they affect people.

•Generally treat people as stakeholders, relying on consensus and cooperation rather than control and coercion.

Violations of Psychological Contracts
According to Rousseau (1995), breaches can take three forms: inadvertently, disruptive, or reneging. Whether the victims identify the source of the breach to be unwillingness or inability to comply, impacts on how breach is experienced and what victims do in response.

Inadvertent: able and willing to comply, occurs due to divergent interpretations

Disruption: Willing but unable – inability to fulfill contract

Breach of contract: Able but unwilling – break a promise

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Link between HR Practices and Psychological contract

Competition has compelled organisations to find new ways to bring about various changes to maintain financial control (Coyle-Shapiro and Kessler, 2000). Organisations concluded that to maintain such type of control, they need to remove typical benefits usually involved in the "exchange relationship" between employer and employee (Singh, 1998). Singh (1998) believed that such traditional benefits as "lifelong security, guaranteed pay increases and assured career opportunities" should no more be provided to employees.

Nowadays, the new tendency is that employees no more have security in their respective jobs even though they show commitment to the organisation (Aggarwal and Bhargava, 2009). Aggarwal and Bhargava (2009) noticed that the employee "exchange flexibility and hard work for simply having a job". According to Herriot et al. (1997), this can eventually have a systematic effect on the employee-employer relationship resulting in the transformation of the established "trust, loyalty commitment and long-term relationship".

Previous studies demonstrated that for employers to obtain what they really expect from their employees, they should give them "appropriate inducements" (Schein, 1965). Employees who are satisfied and feel part of the organisation will be more willing to make effort to do their job to achieve organisational objectives and will be more apt to sort out problems arising in the organisation (Argyris, 1964). Yet, employers have had to face many difficulties to assess the expectations of employees and which "kind of inducements will influence employees to make desired contributions" (Aggarwal & Bhargava, 2009). And as said by the authors: "Management of expectations is critical for survival of any relationship" (Aggarwal & Bhargava, 2009).

Psychological contract has been early defined as an "unconscious assumption" as regards to the employee/employer relationship (Argyris, 1960; Levinson et al. 1962). Nowadays, psychological is said to be the type of agreement that is formed based on the exchanged promises between the employee and the employer (Aggarwal & Bhargava, 2009). However, it is to be noted that each employee's psychological contract is unique in nature (Aggarwal & Bhargava, 2009). It is here suggested that each employee's perception of the relationship differs from each other (Aggarwal & Bhargava, 2009).

Coyle-Shapiro and Neuman (2004) on their side suggested that the psychological contract of employees is developed through the "interaction of various macro and micro variables". According to Aggarwal and Bhargava (2009), human resource practices are considered as macro-level variable in contrast to the psychological contract which is defined as a micro-level one. Psychological contract has been recognised as being "perceptual and idiosyncratic" (Aggarwal and Bhargava, 2009). The authors have also noted that even though the organisation provides employees with identical advantages, the employees' responses will be different (Aggarwal and Bhargava, 2009).

Moreover, various investigations have demonstrated that human resource practices form part of the variable that inspired the perception of employees towards the psychological contract and organisational outcomes (Kotter, 1973; Rousseau, 1990). Rousseau and Wade-Benzoni (1994) also believe that HR

practices and psychological contract are both linked to the organisation strategy. According to Arthur (1994), HR practices firstly affect "employee's skills, attitudes and behaviours" that consecutively have an effect on organisational performance. Rousseau (1995) suggested that HR practices drive "strong messages to individuals regarding what the organisation expects of them and what they can expect in return". HR practices is also said to convey promises and future aims on behalf of the organisation through recruitment, reward and development practices and these are viewed as a specific form of contract (Rousseau, 1995).

Furthermore, it has also been stated that "HR practices impact firm performance by creating structural and operational efficiencies" (Arthur, 1994). Berg (1999) on his side believes that having a "strong HR system" tends to improve employee's satisfaction towards their job. It is also assumed that having such a system in an organisation reduces exhaustion in employees (Godard, 2001). In simple terms, it can be stated that the business strategy and employment strategy have an impact the way we design our HR practices and this eventually shape the psychological contract of our employees (Aggarwal and Bhargava, 2009).

Types of Psychological Contract:

Types of Psychological Contract There are four types of psychological contract: Transactional Relational Transitional Balanced

Transactional:

The transactional contract is present when employment arrangement is of a short-term or limited duration primarily focused on exchange of work in lieu of money with a specific & definite description of duties & responsibilities and limited involvement in organisation this is particularly true for employees hired on short-term contracts as well as workers located off-site

Relational:

The relational contract results from long-term employment arrangements based upon mutual trust and loyalty Growth in career and remuneration comes mainly from seniority Other benefits and rewards are only loosely related to work performance The contract is derived from long term membership and participation in the organisation This type of contract is very common in family run organisations in India Where 'trusted and loyal' employees manage most of the senior managerial/supervisory work in the organisation

Transitional:

It is a cognitive state which reflects the changes in organisational context & socio-economic changes and Transitions that are in contradiction with a previously established arrangement or psychological contract. This type of cognitive state is apparent during company mergers and acquisition, downsizing as well as related state of uncertainties in work life.

Balanced:

Balanced psychological contract refers to: A dynamic and open-ended employment engagement Pre-conditioned on business success of the employer organisation Employee has opportunities to develop skill

sets and opportunities for career advancement based on skills and performance Both employee and organisation contribute to each other's development Rewards to workers are based upon performance and contributions to the organisation's business success or Competitive advantages, particularly in the face of changing business environment. In most of the public owned and professionally managed organizations, balanced type of psychological contract exists

Function of Psychological Contract:
- To reduce the insecurity of employees
- To fill the gaps in the employment relationship that cannot be addressed in a formal written contract
- To shape behaviour of the employees
- To help employees to weigh their obligations towards the organisation against the obligations of the organisation towards them
- To adjust their behaviour on the basis of critical outcomes
- To give employees a feeling of influence on what happens to them in the organization.

Three States of Psychological Contract Fulfillment (Rousseau, 2011).

• **Mutuality:** The extent to which the employee and employer hold similar beliefs regarding the content of their psychological contract. In other words, if contract terms are salient openly discussed and agreed by both parties this constitutes a high level of mutuality. Following on, if there exist high levels of mutuality this tends to correspond to contract fulfillment.

• **Alignment:** The degree to which an individual's psychological contract involves balanced reciprocity between employee and employer obligations. If the contract itself is fair and balanced, where neither side is particularly undercut by demanding obligations then this corresponds to an aligned contract. It is common for most individuals to seek out balanced relationships when it comes to their employment relationship (Blau, 1964).

• **Reciprocity:** The extent to which both parties report the obligations enacted as equal. In short, is the opposing party meeting the same level of expectations? If reciprocity exists then it increases the levels of contract fulfillment and corresponding performance (Dabos & Rousseau, 2004). Communication of contract content is key. If both parties know what the other expects from them obligations and promises can be easily recalled and performed. It is important that there is consistency and structure with HR and management frameworks in order for constructive communication to flow.

MODULE-2

Objectives of IR

- To check industrial conflicts and minimize the occurrence of strikes, lockouts and gheroas.

- To minimize labor turnover and absenteeism by providing job satisfaction to the workers.

- To establish and develop industrial democracy based on workers' partnership in management of industry

- To facilitate government control over industries in regulating production and industrial relations.

- To maintain industrial democracy based on participation of labour in the management and gains of industry.

- To raise productivity by reducing tendency of high labour turnover and absenteeism.

- To ensure workers' participation in management of the company by giving them a fair say in decision-making and framing policies.

- To establish a proper channel of communication.

- To increase the morale and discipline of the employees.

- To safeguard the interests of the labour as well as management by securing the highest level of mutual understanding and goodwill between all sections in an industry.

Approaches to IR

The three popular approaches to Industrial Relations are Unitary approach, pluralistic approach, and Marxist approach.

Unitary Approach

Under unitary approach, Industrial Relations is grounded in mutual co-operation, individual treatment, team-work and shared goals. Work place conflictis seen as a temporary aberration, resulting from poor management, from employees who do not mix well with the organization's culture. Unions co-operate with the management and the management's right to manage is accepted because there is no 'we-they' feeling. The underlying assumption is that everyone benefits when the focus is on common interest and promotion of harmony. Conflict in the form of strikes is not only regarded as unnecessary but destructive. Here, the conflict is seen as a temporary divergence which is caused due to the poor management or the negligence on the part of the employees to understand and mix with the organizational culture.

The unitary approach is based on the assumption that the overall profitability of the firm could be increased if everyone in the organization has the common interest/purpose and works unanimously towards its completion thereby establishing the harmonious relations. Here the strikes are considered as destructive.

Advocates of the unitary approach emphasize on a reactive Industrial Relations strategy. They seek direct negotiations with employees. Participation of government, tribunals and unions are not sought or are seen as being necessary for achieving harmonious employee relations.

The unitary approach is being criticized as a tool for seducing employees away from unionism and socialism. It is also criticized as manipulative and exploitative.

Pluralistic Approach

The pluralistic approach is just the opposite of unitary approach which is based on the assumption that an organization is an alliance of powerful and divergent sub-groups (management and trade unions), having different competing interests are mediated by the management. The management and the trade unions (association of workers) are the powerful sub-groups that may not agree with certain terms and conditions prevailing in the organization and to resolve those management tries to mediate the interest of both the groups. The pluralistic approach perceives:

1. Organizations as coalitions of competing interests, where the management's role is to mediate amongst the different interest groups.

2. Trade unions as legitimate representatives of employee interests.

3. Stability in Industrial Relations as the product of concessions and compromises between management and unions

Legitimacy of the management's authority is not automatically accepted. Conflict between the management and workers is understood as inevitable and, in fact, is viewed as conducive for innovation and growth. Employees join unions to protect their interests and influence decision-making by the management.

Unions thus balance the power between the management and employees. In the pluralistic approach, therefore, a strong union is not only desirable but necessary. Similarly, society's interests are protected by state intervention through legislation and industrial tribunals which provide orderly process for regulation and resolution of conflict.

The theories on pluralism were evolved in the mid-sixties and early seventies when England witnessed a resurgence of industrial conflicts. However, the recent theories of pluralism emanated from British scholars, and in particular from Flanders and Fox. According to pluralists, industrial conflict is inevitable and it needs to be contained within the social mechanism of collective bargaining, conciliation and arbitration.

Marxist Approach

Marxists, like the pluralists, regard conflict between employers and employees as inevitable. However, pluralists believe that the conflict is inevitable in all organizations. Marxists see it as a product of the capitalist society. The Marxist approach is based on the basic assumption that the conflict is regarded as the product of a capitalist society. This means that conflict arises not just because of the rift between the employee and the employer, but also because of the division in the society between those who own the means of production (capitalists) and the ones who have only labor to offer. The ultimate objective of the capitalists is to increase the productivity by paying possible minimum wages to the workers due to which the latter feels exploited.

Trade unions are seen both as labour reaction to exploitation by capital, as well as a weapon to bring about a revolutionary social change. Concerns with wage-related disputes are secondary. Trade unions focus on improving the position of workers within the capitalist system and not to overthrow. For the Marxists, all strikes are political.

Besides, Marxists regard state intervention via legislation and the creation of industrial tribunals as supporting management's interest rather than ensuring a balance between the competing groups. This view is in contrast to the belief of the pluralists who argue that state intervention is necessary to protect the overall interest of society.

To Marxists, the pluralist approach is supportive of capitalism, the unitary approach is anathema. Consequently, enterprise bargaining, employee participation, co-operative work culture, and the like which help usher in cordial Industrial Relations are not acceptable to Marxists. Such initiatives are regarded as nothing more than sophisticated management techniques designed to reinforce management control and the continuation of the capitalist system.

Industrial Relations System

An industrial relations system consists of the whole gamut of relationships between employees and employees and employers which are managed by the means of conflict and cooperation. A sound industrial relations system is one in which relationships between management and employees (and their representatives) on the one hand, and between them and the State on the other, are more harmonious and cooperative than conflicting, and creates an environment conducive to economic efficiency and the motivation, productivity and development of the employee and generates employee loyalty and mutual trust.

Actors in the IR system: Three main parties are directly involved in industrialrelations.
Employers: Employers possess certain rights vis-à-vis labors. They have the right to hire and fire them. Management can also affect workers' interests by exercising their right to relocate, close or merge the factory or to introduce technological changes.

Employees: Workers seek to improve the terms and conditions of their employment. They exchange views with management and voice their grievances. They also want to share decision making powers of management. Workers generally unite to form unions against the management and get support from these unions.

Government: The central and state government influences and regulates industrial relations through laws, rules, agreements, awards of court ad the like. It also includes third parties and labor and tribunal courts.

The System Approach

One of the significant theories of industrial labor relations was put forth by John Dunlop in the 1950s. According to Dunlop industrial relations system consists of three agents – management organizations, workers and formal/informal ways they are organized and government agencies. These actors and their organizations are located within an environment – defined in terms of technology, labor and product markets, and the distribution of power in wider society as it impacts upon individuals and workplace. Within this environment, actors interact with each other, negotiate and use economic/political power in process of determining rules that constitute the output of the industrial relations system. He proposed that three parties—employers, labor unions, and government-- are the key actors in a modern industrial relations system. He also argued that none of these institutions could act in an autonomous or independent fashion. Instead they were shaped, at least to some extent, by their market, technological and political contexts. Thus it can be said that industrial relations is a social sub system subject to three environmental constraints- the markets, distribution of power in society and technology.

Dunlop's model identifies three key factors to be considered in conducting an analysis of the management-labor relationship:

1. Environmental or external economic, technological, political, legal and social forces that impact employment relationships.
2. Characteristics and interaction of the key actors in the employment relationship: labor, management, and government.
3. Rules that are derived from these interactions that govern the employment relationship.

Dunlop emphasizes the core idea of systems by saying that the arrangements in the field of industrial relations may be regarded as a system in the sense that each of them more or less intimately affects each of the others so that they constitute a group of arrangements for dealing with certain matters and are collectively responsible for certain results".In effect - Industrial relations is the system which produces the rules of the workplace. Such rules are the product of interaction between three key "actors" – workers/unions, employers and associated organizations and government.

The Dunlop's model gives great significance to external or environmental forces. In other words, management, labor, and the government possess a shared ideology that defines their roles within the relationship and provides stability to the system.

The system approach was developed by **J. P. Dunlop** of Harvard University in 1958. According to this approach, individuals are part of an ongoing but independent social system. The behaviour, actions and role of the individuals are shaped by the cultures of the society. The three elements of the system approach are input, process and output. Society provides the cue (signal) to the individuals about how one should act in a situation. The institutions, the value system and other characteristics of the society influence the process and determine the outcome or response of the individuals. The basis of this theory is that group cohesiveness is provided by the common ideology shaped by the societal factors.

According to **Dunlop,** the industrial relations system comprises certain actors, certain contexts, and an ideology, which binds them together and a body of rules created to govern the actors at the workplace and work community. The theory is divided into four inter-related components namely:

- **Actors** working within the contexts, developing a body of rules, held together by an ideology

- **Contexts** (influences & constraints on decisions & action, e.g. market, technology, demography, industrial structure)

- **Ideology** - beliefs affecting actor's views - shared or in conflict

- **Rules** - regulatory elements , i.e. the terms & nature of the employment relationship developed by IR processes

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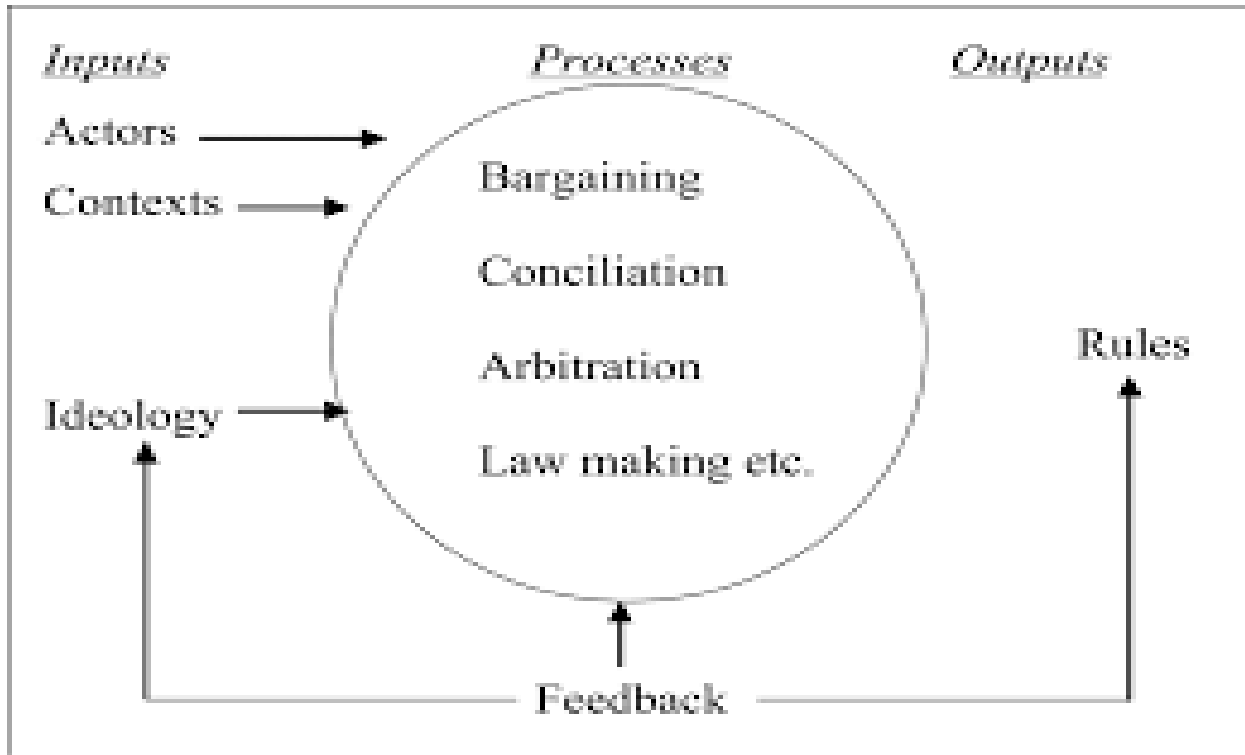
Concept of Trade unionism:

"Trade unions are any combination whether temporary or permanent formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, between employers and employers or for imposing restrictive conditions on the conduct of any trade or business and include any federation of two or more trade unions", - According to Trade unions Act, 1926.

Trade union is an important Actor or participant of industrial relations. They are formed to protect the interest of the employees. A trade union is a continuation of long term association of employees, formed primarily for the purpose of pursuit of the interests of its members and the trade they represent. Thus, the trade union movement arose for the purpose of defending their rights, for improving their living and working conditions and for protecting their interests. From a small beginning, this movement has now grown into worldwide movement for achieving social justice, economic equality and preservation of democratic values of life.

Meaning and Definition:

Trade union is a voluntary organisation of workers formed to protect and promote their interests through collective action. It may be formed on plant basis, industry basis, firm basis, regional basis or national basis. Different writers and thinkers have defined the trade union differently.

☐ **To quote Webb and Webb,** "A trade union is continuous association of wage earners for the purpose of maintaining or improving the conditions of their working lives."

- **According to Flippo,** "A labour union or trade union is an organisation of workers formed to protect, promote and improve, through collective action, the social, the economic and political interests of its members."

Features of Trade Union

- ☐ It is an organisation formed by employees or workers.

- ☐ It is formed on a continuous basis i.e. it is a permanent body.

- ☐ It is formed to protect all kinds of interests of its members, dominantly economic interest.

- ☐ It achieves its objectives through collective action and group efforts.

Functions of a Trade Union:

The important basic functions of unions listed by National Commission on labour are:

(i) To secure fair wages to workers.

(ii) To safeguard security of tenure and improve conditions of service.

(iii) To enlarge opportunities for promotion and training.

(iv) To improve working and living conditions.

(v) To provide for educational, cultural and recreational facilities.

(vi) To co-operate in and facilitate technological advance by broadening the understanding of workers on its underlying issues.

(vii) To promote identity of interests of workers with their industry.

(viii) To offer responsive co-operation in improving levels of production and productivity, discipline and high standards of quality and

(ix) To promote individual and collective welfare.

Objectives of Trade Union

Unions concentrate their attention to achieve the following objectives:

(A) Wages and Salaries: The subject which drew the major attention of the trade unions is wages and salaries. This item may be related to policy matters. However, differences may arise in the process of their

implementation. In the case of unorganized senior the trade union plays a crucial role in bargaining the pay scales.

(B) Working Conditions : Trade unions with a view to safeguard the health of workers demand the management to provide all the basic facilities such as lighting and ventilation, sanitation, rest rooms, safety equipment while discharging hazardous duties, drinking water, refreshment, minimum working hours, leave and rest, holidays with pay, job satisfaction, social security benefits and other welfare measures.

(C) Personnel Policies: Trade unions may fight against improper implementation of personnel policies in respect of recruitment, selection, promotions, transfers, training, etc.

(D) Discipline : Trade unions not only conduct negotiations in respect of the items with which their working conditions may be improved but also protect the workers from the clutches of management whenever workers become the victims of management's unilateral acts and disciplinary policies. This victimisation may take the form of penal transfers, suspensions, dismissals etc. In such a situation the separated worker who is left in a helpless condition may approach the trade union. Ultimately, the problem may be brought to the notice of management by the trade union, which explains about the injustice meted out to an individual worker and fights the management for justice. Thus, the victimised worker may be protected by the trade union.

(E) Welfare: As stated earlier, trade unions are meant for the welfare of workers. Trade union works as a guide, consulting authority and cooperates inn overcoming the personal problems of workers. It may bring to the notice of management, through collective bargaining meetings the difficulties of workers in respect of sanitation, hospitals, quarters, schools and colleges for their children's cultural and social problems.

(F) Employee-Employer Relations: Harmonious relations between the employees and employer are sine quanon for industrial peace. A trade union always strives for achieving this objective. However, the bureaucratic attitude and unilateral thinking of management may lead to conflicts in the organization which, ultimately, disrupt the relations between the workers and the management. Trade union, being the representative of all the workers, may carry out continuous negotiations with the management with a view to promoting industrial peace.

(G) Negotiating Machinery: Negotiations include the proposals made by one party and the counterproposals of the other. This process continues until the parties reach an agreement. Thus, negotiations are based on the give and take' principle. Trade union, being a party for negotiations, protects the interests of workers through collective bargaining. Thus, the trade union works as the negotiating machinery.

 (H) Safeguarding Organisational Health and the Interest of the Industry: Organisational health can be diagnosed by methods evolved for grievance redressal and techniques adopted to reduce the rate of absenteeism and labour turnover and to improve the employee relations. Trade union by their effective

working may achieve employee satisfaction. Therefore trade unions help in reducing the rate of absenteeism, labour turnover and developing systematic grievance settlement procedures leading to harmonious industrial relations.

Trade unions can thus contribute to the improvements in level of production, productivity and discipline thereby improving quality of work-life.

Need For Trade Unions

Why do workers organize themselves into a trade union? It is however, a significant question. The worker joins a trade union for a variety of reasons, but he may be no more conscious of the motive or motives that prompt him to join a union. The trade unions are the organizations formed by working male and female workers both to improve the conditions of labour and to further to attain better life.

(i)   The individual workers all alone feel especially weak in a world of mass production and mass movement. An organization may give him an opportunity to join others for the achievement of those objectives that he considers as socially desirable.

(ii)   The basic purpose of trade union is to safeguard the economic interests of its members. One of the problems in the life of the workers is how to provide sufficient food, clothing and a home for himself and for the members of his family. This is first and foremost a question of finding a job on a reasonable wage. To improve and maintain the wage at a reasonable standard is one of the primary reasons for which a worker joins a trade union.

(iii)   A worker does not only require the bare necessaries of existence but he also wants to obtain the amenities of civilized life, e.g., a better home, more leisure, better conditions of work, etc. The workers also join the trade unions, to a very large extent, because they have interests such as these to promote or defend.

(iv)   The need for trade unions arises due to this fact also that the workers require help in time of sickness or death, protection from suffering and want when they are not of a job and an income of some kind when they are too old to work any more.

(v)   There is anesthetic reason for the existence of trade unions, viz., need for adequate machinery for settling the relations between the employers and employees. In modern industry the old personal relationship between the employers and the workers largely disappears. The worker may become dissatisfied with his working conditions or the treatment of his employers while the employer may feel that he has reason for complaint against the workers. With the growth to industry the number of such questions to be settled increases and it is much better to adjust

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these differences by agreement between the employers and employees through negotiations. Thus, a trade union is the best and socially most desirable to conduct bargaining on behalf of the workers and the development of collective bargaining between the employers' and workers' organizations is an essential basis for the establishment of peace in industry.

(vi) Trade unions developed on proper lines lessens violent class conflicts and, thus, is beneficial to employers, the employees, the state and the public. It is, thus, clear that no agency formed or promoted to look after the interests of the workers can be a real substitute for trade unions. The organization of workers is, therefore, not only necessary but also inevitable.

FUNCTIONS OF TRADE UNIONS

Trade unions in present era of industrial development perform two sets of functions: the "**Militant Functions and the Fraternal Functions.**" The trade union is a militant organisation designed to fight for the cause of the workers. One of the main aims of the organisation of workers into trade union is to secure better conditions of work and employment. The trade unions try to fulfill this aim by the method of collective bargaining and negotiations and if they do not succeed in securing their purpose in this manner, they put up a fight with the employers for achieving their end in the form of strikes and boycotts. More recently, the trade unions have started making efforts to secure some share in the profits and also control of the industry. Then, the trade union is also a fraternal association, a benefit organization, providing sickness and accident benefits to the members and supporting them during strikes and lockouts and during the period when they are temporarily out of work. Such financial help to the members is given by the trade unions out of their own funds created through subscriptions by members. Such functions are known as fraternal functions: However, in modern period, the various functions are performed by trade unions as pointed out below:

(A) **Militant or protective or intra-mutual functions:** These functions include protecting the workers' interests, i.e., hike in wages, providing more benefits, job security, etc. through collective bargaining and direct action such as strikes, gheraos, etc.

These consist of those functions of the unions that lead to the betterment of employment conditions such as ensuring adequate wages and salaries, etc. for which the methods adopted may be collective bargaining, negotiations, strikes, etc.

(B) **Fraternal or extra-mutual functions:** These functions include providing financial and non-financial assistance to workers during the periods of strikes and lock-outs, extension of medical facilities during slackness and casualties, provision of education, recreation, recreational and housing facilities, provision of social and religious benefits, etc.

These activities help the employees to maintain and improve their efficiency or productivity, e.g., measures intended to foster a spirit of cooperation, promote friendly relations, and diffuse education among members and various other types of welfare measures.

(C) Political functions: These functions include affiliating the union to a political party, helping the political party in enrolling members, collecting donations, seeking the help of political parties during the periods of strikes and lock-outs.

Why do workers join unions?

The fact is that there are almost as many reasons for joining a union as there are union members. I would like to focus the six reasons for joining a union.

1. **Economic Reasons:** For higher wages, increased benefits, shorter hours and improved working conditions are certainly important reasons for joining a union.

2. **Job security:** One basic human need is security. In the work environment, employees find themselves in a dependent relationship on their bosses and on what they probably view as impersonal organizations. They want to know that their jobs will exist in the future and that they will be protected against unfair or arbitrary treatment. Anyway, with the growth of technological change, however, workers feel especially vulnerable to job loss. For example, several thousand robots are now being utilized in manufacturing, with continued growth expected for the use of robotics in the near future.

3. **Social reasons**: Men and women are social beings. Therefore, workers have a strong need to be accepted by their peers, to belong, and to go along with others. Some unions offer attractive benefits, such as insurance. Peer pressure may also cause workers to join unions.

4. **Recognition:** Some employees have found that the union structure offers them an opportunity to gain recognition not available to them in the business organization. For example, a worker with little education may serve on a shop committee or even be elected as a position of influence, such as steward or officer in the local.

5. **Participation:** Many workers have explained their union membership in terms of their desire to obtain a voice in decisions that affect them in their working environment. To other workers who feel lost in our large, complex, industrial society, the union is viewed as a last hope that they will be able to influence their destiny.

6. **Compulsion:** Aside from social pressure to join a union, some workers become union members simply because the employment contract requires them to do so. It would appear that unions serve a broad network of employee needs.

7. **Sense of belongingness:** Man is a social animal. Hence, need to belong is strong in both his personal and work lives. The union, from this point of view, provides a mechanism for bringing people together not only to promote common job-related interests but also to organise programmes, functions, and social events from time to time, to create a strong bond among the union members'.

One of the big reasons workers join a union is to ensure fair treatment in the workplace. As a union member, you have a strong collective voice for negotiating with employers about pay & wages, work hours, benefits - including retirement plans, health insurance, vacation and sick leave, tuition reimbursement, etc., Union members earn more money, have better benefits, and help employers create a more stable, productive workforce in which workers have a say in improving their jobs.

Structure of Trade unions:

Various structures of trade unions have emerged over a period of time. They are:

- Craft unions
- Industrial unions
- General unions
- Occupational unions
- National unions / federations

Craft Unions:

A craft union is an organization of workers engaged in a particular craft or a trade. Example: - Crane driver's association in a steel plant, stenographer's association. The logic behind formation of such union is that the skilled workers belonging to the same craft face similar problems.

A craft union may cover all workers engaged in that craft in a particular plant/unit of an industry or in different plants of a particular industry located in a particular area or different industries located in a particular area.

Advantages of Craft Unions:

- They provide form basis for solidarity of trade unions through natural bonds of common interest, friendship, and mutual respect.
- They have greater ability to organize.
- They have strong bargaining power because they are technical i.e. they are skilled.

Weaknesses of craft unions:

- When several small unions of craft-types are organized in a plant and each signing its own agreement with the employer, which may expire at different times, not only joint action or co-ordination becomes difficult for the whole lot of unions operating in the plant, but also the employer may play one union against the other taking advantage of the multi-union situation.

- There is a gradual extinction of craft distinctions due to rapidly advancing technology, which leads to displacement of traditional crafts.
- Members tend to have the tendency of being self-centered and as such they do not provide any support and guidance needed by bulk of unskilled workers. Such tendency reduces Labour unity.

Industrial Unions:

An industrial union is an organization of workers which links all categories of workers in any one industry regardless of differences in craft, skill, grade, position or sex. The membership of an industrial union is normally large. Industrial unions may be formed at plant level (TATA workers' union in TISCO), regional level (Bihar Sugar Workers' Federation) and National level (Colliery MazdoorSabha of India).

Advantages of Industrial Unions:

- One particular union in a particular industry can cover the interest of all categories of workers in a single agreement with employer.
- By attempting to organize different categories of workers skilled, semi-skilled and unskilled-   into homogenous organic group, they can create a feeling of solidarity among the workers and thus contribute significantly to the trade union movement.

Weakness of the industrial unions:

- Union is crowded with unskilled workers.
- No. of skilled workers is less.
- Bargaining power becomes lower at times and thus a clear inability to save interests of the skilled workers.

General Unions:

A general union is one whose membership covers workers employed in many industries, employments and crafts. Jamshedpur Labour union is an example of this type of Labour union. The membership of this union covers workers belonging to the steel industry and engineering industries such as cables, tubes, locomotive, templates etc. located at Jamshedpur.

The general unions are ideal from the solidarity point of view. However, it requires a very high degree of consciousness among the workers representing various industries to form this type of union.

Occupational Unions:

Cobble (1991) has coined the term "occupational unionism" in her book on the union of waitresses in the American context. An occupational union is essentially a craft union minus the skilled workers.

Trade Union Federations:

As trade unions realize that on the competitive business environment most of their problems cannot be tackled on their own, they formed large unions and trade-union federations at the industrial, national and international level. All India Port and Dock worker's Federation is an industrial Federation operating at national level. UP ChiniMazdoor Federation is an example of Industrial Federation operating at regional level.

AITUC, INTUC, HMS, UTUC and CITU are examples of national level federations.

The World Federation of Trade Unions (WFTU) and the International Confederation of Free Trade Unions (ICFTU) are example of international level federations.

Unions classified According to purpose:

(i) Reformist Unions   (ii) Revolutionary Unions

(i)Reformist Unions:

These unions do not want to change the existing system rather they wish to modify the existing social system in accordance with what their members consider to be current modes in society.

The reformist union has been sub-divided by Robert Hoxie according to their objectives:

(a)**Business Unions**: In this kind of unions the employees inter the successful business relationship with the employers. They represent workers in collective bargaining, wpm etc. They generally bring economic interest to their members but they resort to strike only when it is really necessary.

(b)**Friendly or Up-lift union:** It is idealistic in nature. It aspires elevate, moral, intellectual and social life of workers. It is conservative and law-abiding and emphasizes the method of mutual insurance.

(ii)Revolutionary Unions:

These unions aim at destroying the present structure completely and replacing it with new and different institutions according to the ideals that are regarded as preferable.

(a)Anarchist unions   (b) Predatory unions

(c)Political unions   (d) Dependent unions

(a)Anarchist unions: They destroy existing economic system by revolutionary means.

(b)Predatory Unions: They do not subscribe to any ideology and can adopt any method to fulfill their goals. They are of two types.

Hold-up unions: Represents a combination of unscrupulous business   agents of a before organization with equally un-scrupulous employers to thrust exorbitant prices upon customers.

Guerrilla union: It does not be believe in co-operation with employers. It aims at exploitation whatever and whatsoever it can. It is generally not democraticbut boss-ridden.

(c)**Political unions**:They gain or snatch power through political action.

(d)**Dependent Unions:** The existence of this type of union is dependent wholly or partly on the other unions or the employees.

Origin & growth of the Trade Union movement in India:

The Indian trade union movement has been sub-divided into three periods:

(1)Early period (up-to 1918)

(2)Pre-independence period (1918 to 1947)

(3)Post-Independence period

(1)Early period:

- The Indian trade union movement is a century old but quite short compared to the trade union history of Great Britain and USA.
- It was started with the set-up of first cotton mill in 1851 at Calcutta.
- Subsequently, a few other big enterprises were established in second half of the nineteenth century.
- During this period, the workers suffered a lot-long working hours, low wages, harsh working conditions etc.
- The workers in cotton-mill started protesting against these inhuman conditions.
- In 1877, textile workers of Empress Mill, Nagpur went on a strike against these in-human working a living conditions. Soon after this, from 1882-1890(8 years), twenty-five strikes were recording in Bombay & Madras presidencies.
- All these strikes took place instantly with no formal organizations of workers. From these strikes the workers learned the power of united action.
- During early period of Trade union movement efforts towards uniting people was basically taken by philanthropists and social workers. Such leader was ShorabjiShapurjiBengalle.
- In 1875, under the leadership of Bengalle, a number of social reformers started drawing attention of the general public towards terrible working conditions of workers, especially women & children.
- On March 25, 1875, Government appointed First Bombay Factories commission to investigate factory conditions. The members of commission failed to see any necessity of legislation.
- But due to the agitation of Bengalle and others, and some other reasons the first Indian Factory Act was passed in 1881.
- This act was very inadequate and ineffective.
- Therefore, the workers protested under the leadership of N.M. Lokhande, a skilled worker in a textile mill and also a social reformer of SatyashodhakSamaj.

- He organized two public meetings of mill workers in Bombay on September 1884.
- He had memorandum signed by 5,500 workers demanding weekly holiday, half an hour recess and regular payment of wages, and submitted it to Second Factory Commission in October 1884.
- In 1890, Lokhande established Bombay Millhands Association and Association also took over "Dinabandhu" a social reformer journal, and converted it into the first labour journal of India.
- This association mainly looked after the grievance of employees but it had no organized body, no rules, no funds and no membership. The members acted as voluntary advisors.
- Some of the important organisations set up before first world war were:-
  - ✓ Amalgamated Society of Railway Servants of India and Burma(1897).
  - ✓ The Printers' Union, Calcutta(1905).
  - ✓ The Bombay Postal Union(1907).
  - ✓ Social Service League(1910).
  - ✓ Most of these organizations disappeared after a short and stormy career.

Pre-independence period (1918-1947)

- Soon after the war, the trade union movement saw the growth in modern sense of the term.

Post-Independence Period:

- In this period, there were further splits in AITUC
- In 1948, Hind MazdoorPanchayat (HMP) split itself from AITUC.
- Later in 1948 again, Indian Federation of Labour(IFL) and HMP merged and a new organization Hind MazdoorSabha(HMS) came into being on Dec.,1948 (Communists and Socialists formed HMS)
- Those who did not agree with the principles of HMS formed on April 30, 1949, the United Trade Union Congress (UTUC). It was mainly formed by radicals.
- After the adoption of constitution in 1950, political parties influenced the movement.
- In 1955, BhartiyaJansangh established BhartiyaMazdoorSangha(BMS) which later was influenced by BJP.
- Indian National Congress influence Indian Trade Union Congress(INTUC)
- Communists divided themselves into CPI & CPM, CPI controlled AITUC, CPM formed Centre for Indian Trade Unions(CITU).
- The United Trade Union Congress(UTUC) also broke into two:
  - → UTUC (Central Avenue Headquarters)
  - → UTUC (Lenin Sarani Road)
- The trade unions today are dragged into politics and politicization has broken the wearing. But still it carries a great importance in the arena of Industrial Relations.

Methods used for Union recognition:

The methods used for determining the union strength are:-

- Election by secret ballot
- Check-off method
- Physical verification of union membership

(a) Election by secret ballot:

The secret ballot method is similar to the conduct of elections in general for the purpose of entrusting the reins of Government to a political party. Under this system all eligible workers of an industrial establishment may vote for a union of their choice. Generally, elections through this method are conducted by the Registrar of unions who acts as a "neutral agent". The elected union enjoys the recognition status for a minimum period, usually two/three years.

(b) Check-off method:

Under this system an employer is authorized by each individual worker to deduct the union membership fees every month from his / her wages and credit the same to the union of which he/she is a member. Through this system, the employer can have a fair idea about the majority union in the establishment.

(c) Verification of Union Membership:

In India verification of union membership is carried out by an official organization designated by the Government to ascertain the strengths of the unions. For estimating the actual membership strength of registered unions in an establishment, the verification team members scrutinize the claim lists of the unions, their membership fee books, membership records and account books and make physical sampling of workers.

White collar trade unions or Managerial unionism

After going through this note, you will be able to understand;

•The evolution of white collar trade unions in India

•The top management's reactions to managerial / white collar trade unions

•Factors influencing formation of such unions

•Activities of managerial unions

Introduction (History)

For long, unionization among the workers has come a long way. But, there are a separate group of people who are placed in the higher echelons of the organizational hierarchy; they are separate room the blue collars; they are the 'white collars' (clerks, draftsmen, technicians, supervisors.

There was a time when unions and strikes were known only to blue-collar workers in factories, mines, railways, docks etc. White collars employees and professional people like doctors, engineers, lawyers, professors and senior executives and managerial staff thought it below their dignity to band themselves in unions, march the high streets, and yell slogans. Today it is different trade unions exist among most professionals, white-collar employees, officers, senior executives and managers, and so do strikes and Gheraos.

Highly paid employees in banks, in the LIC and in many other establishments are organized, and so the central Government and semi-government employees, they take recourses to strikes, mass casual leaves, work to rule dharnas and *gheraos* for securing their demand and thus creating some embarrassing problems for their employers/managements requiring serious consideration.

Growth of white collar unionism:

While collar unionism started showing its existence almost with the end of Second World War. The activities were even boosted because in post-war decades the employees of central government, railways, posts and telegraph, defense, banking and insurance companies, started organizing their unions. Recently, Managerial Guilds/ unions are a new feature in the chapter of unionization.

Factors responsible for white collar unionism:

- Substantial increase in white collar workers led them to form unions.
- Workers get new deal from the employer with respect to their wages through unionization, where as white-collars remained dependent on the mercy of top management.
- Bargaining power given to Blue-collars through legislations have empowered them to gain income level close to white collars. Hence, loss of identity and respect by the white collars led them to form unions.
- When well unionized top leaders of a Blue-collar trade union, came in contact with white-collars, naturally he transferred his thought-process.

Recognition of white-collar unionism in India/top management's reactions to white-collar employee's unions:

Top Manager's attitude towards recognition of white collar trade unions in Public Sector was of antagonism and hostility. But later on after they started dealing with these unions, they understood that these unions are not evil force. Slowly, there has been an acceptance of these unions in public sectors.

In private sectors, still the attitude towards such unions is not very positive.

Activities of white collar unions:

- The main trust of these unions is preservation, protection and improvement of occupational interests.

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- Establishment of white collar co-operative societies, organizational of cultural, recreational and sports activities etc.
- Supplemental activities in fulfilling the efforts of management.
- They are proving effective channel of communication in their respective establishments.

UNION REGISTRATION AND RECOGNITION:

Registration of a trade Union:

- According to Trade Unions Act.1926, the appropriate government appoints a person as Registrar of Trade Unions for each state.
- Any trade union cannot be registered until and unless there are a minimum member of seven members employed in the organization, which are a part of that union.
- An application for registration of Trade unions shall be made to the registrar accompanied by a copy of the rules of the trade union and a statement containing the details i.e. names, occupations and addresses of the members making the application, address of the place of work, name of the trade union and address of its head office, the titles, names, ages, addresses and occupations of the office-bearers of the trade union.
- The application shall also contain a list of assets and liabilities of trade union; of it has been existing before one year, before registration.

Cancellation of Registration:

Registration of a trade union may be cancelled of:-

- If membership fell below the minimum prescribed for registration (section 10(c))
- Union fails to submit its annual returns.
- Union submits defective returns and defects are not rectified with in specified time.
- An application for re-registration should not be entertained within six months of the date of cancellation of registration.

Recognition of Trade Unions:

Despite of many attempts to improve the condition of labour and to achieve cordial labour-management relations, still some loop-holes in our judiciary did not permit peaceful labour-management relations. The expected involvement of workers' has not yet been achieved. In pursuance of this suggestion, the Fifteenth Indian Labour Conference, held in July,1957 discussed the question of discipline in the Industry and laid down the following general principles:-

- ✓ There should be no lockout or strike without notice.
- ✓ No unilateral action should be taken in connection with any industrial matter.
- ✓ There should be no re-course to go-slow tactics.
- ✓ No deliberate damage should be caused to plant or property.
- ✓ Acts of violence, intimidation, coercion or instigation should not be resorted to.

- ✓ The existing machinery for settlement of disputes should be resorted to.
- ✓ Awards and agreements should be speedily implemented.
- ✓ Any agreement which disturbs cordial industrial relations should be avoided.

These principles were later considered by a sub-committee and after certain modifications there in, the code of Discipline was evolved. It came into force June 1, 1958. It was accepted by the four Central National Labour Organizations (INTUC, AITUC, HMS and UTUC) on behalf of the workers and by the Employers' Federation of India, the All-India Manufacturers' Organization on behalf of the employees. One of provisions of code of discipline is that the management shall recognize the union in accordance with the criteria evolved at the 16th session of the Indian Labour Conference held in May 1958.

CRITERIA FOR RECOGNITION OF UNIONS:

1. Where there is more than one union, a union claiming recognition should have been functioning for at least one year after registration; where there is only one union, this condition would not apply.
2. The membership of the union should cover at least 15% of the workers in the established. Membership would be counted only of those who have paid their subscriptions for at least three months during the period of six months immediately preceding the reckoning.
3. A union may claim to be recognized as representative union for an industry in a local area it has a membership of at least 25%of workers of that industry in that area.
4. When a union has been recognized there should be no change in its position for a period of two years.
5. Where there are several unions in an industry or establishment, the one with the largest membership be recognized.
6. A representative union for an industry in an area should have the right to represent the workers in all the establishments in the industry; but if a union of workers in a particular establishment has a 50% or more of the workers of that establishment it should have the rights to deal with   matters of purely local interest, such as, for instance, the handling of grievances pertaining to its   own members. All other workers who are not members of that union might either operate   through representative union for the industry or seek redress directly.
7. In the case of trade union federations which are not affiliated to any of the four central organizations of Labour, the question of recognition would have to be dealt with separately.
8. Only unions which observe the code of Discipline would be entitled to recognition.

Criteria for recognition of trade unions in Odisha:

Q. What is recognition? / trade union recognition.

Trade Union recognition is the process through which the Management acknowledges and accepts a trade union as a representative of some or all workers in an establishment or industry and with which it is willing to conduct discussions on all issues concerning those workers.In 1992, the Government of Odisha entrusted the 'State Implementation and Evaluation Committee'(which is a tripartite body) with the

responsibility of drawing up rules for verification of trade union membership through secret ballot and recognition of unions.

The rules prepared by the committee came into effect from November 1, 1994. The rules are applicable to all the industries as defined in the Industrial disputes Act, 1947. The rules pertaining to union recognition are as follows:-

1. In Industrial establishments where only one registered union is functioning for a period of at least one year after its registration no verification of membership shall be there for recognition of the union.

2. In an Industrial establishment, where there are multiple unions, an application may be made by any of the unions or by the employer or establishment to the state Implementation and evaluation officer (Labour Commissioner or any other officer) appointed by the State Government for the purpose of verification of membership of unions, for identifying the recognized union in the establishment.

   The SIE officer after verifying the application form shall issue an order for verification for union membership through secret ballot. A Returning Officer is appointed for the purpose. The Returning Officer in consultation with SIE officer appoints a team of observers and polling officers for conducting the voting. Based on the results of voting by the workers, the SIE officers recommends to the employer the name of the union which should be granted recognition of the names of the unions which should be declared as the members of the negotiating committee. It is mandatory on the part of the employer to implement recommendations of the SIE officer.

3. The Union which secures the maximum number of votes, but not less than 30 percent of the total number of votes polled, shall be entitled to be recognized.

4. In the event of two or more unions securing an equal number of votes, the union having a longer period of existence after registration shall be declared duly voted by the employees.

5. In the event of none of the unions securing 30% of votes, the SIE officer shall constitute a Negotiating Committee for the industry proportionally based on the number of votes polled by each union and subject to the condition that each union shall have at least one member in the committee. In no case should the total number of members of the negotiating committee exceed nine.

6. In order to qualify as a member of the Negotiating Committee, a union must have secured a minimum of 10% of total no, of votes polled.

   ✓ The employer shall recognize the union as sole bargaining agent or the unions as members of Negotiating Committee within a week after receiving recommendation of the SIE officer.

   ✓ As per Gazette notification of State Government, dated September 22, 1999, a union once recognized shall enjoy the status for maximum period of three years.

Problem faced by Trade Unions in India The condition of trade unions in India is not very sound and this is mainly because of the fact that trade unions suffer from many problems. A brief account of them is given below:

(A) **Uneven Growth**: Trade union activities are concentrated in large scale industries and that too in regard of manual labor only and mainly in bigger industrial centre, there are hardly any trade union activities in small scale enterprises, domestic and agricultural labour. The degree of unionism varies a lot from industry to industry, thus touching only a portion of the working class in India.

(B) **Low Membership**: Even though, the number of trade unions has increased considerably in India but this has been followed by the declining membership per union. The average number of members per union was about 3,500 in 1927-28. It reduced to about 1,400 in 1946-47 and again to as low as a figure of 675 in 1985-86 and 659 in 2000-01. This indicates the emergence of small scale trade unions.

(C) **Multiplicity of Unions**: Another problem faced by the growth of trade unions is that of multiplicity of unions. There may exist many trade unions in the same establishment. The existence of large number of trade unions can be attributed to the fact that The Trade Unions Act, 1926 permits any association of seven workers to be registered as a union, and confers upon it certain rights. Many a time, it is contended that multiplicity of unions is because of outside leaders, but more pertinent point is that they are able to work because law permits and gives sanctity to the small unions.

(D) **Inter Union Rivalry**: Unions try to play down each other in a bid to gain greater influence among workers. In the process they do more harm than good to the cause of unionism as a whole. Employers are given an opportunity to play unions against each other. They can refuse to bargain on the contention that there is not true representative union. Besides this, the workers' own solidarity is lost. Employers are able to take advantage of in fighting between workers groups.

(E) **Weak Financial Position**: The financial position is very low as their average yearly income is very low and inadequate. The subscription rates are very low due to multiplicity of unions, unions interested in increasing their membership keep the subscription rates very low resulting inadequacy of funds with the unions. Another important reason for the weak financial position of unions is that large amounts of subscription dues remain unpaid by the workers. The name of constant defaulters continuously appears on the registers on most of the unions. They are neither expelled nor cease to be members ipso facto according to the union rules.

(F) **Lack of Public Support:** The trade unions frequently resort to strike and protest in order to make their demands meet. As a result, inconvenience is caused to public. This is the public support or sympathy is almost negligible.

THEORIES ON TRADE UNIONISM:

The various approaches/theories of trade unions can be classified into the following five types:

1. Revolutionary Theory:

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The revolutionary approach/theory of trade union is developed by Karl Marx "This theory is also known as "the theory of class war and dialectical materialism". According to Marx, trade union was the foremost organising centre to provide locus for streamlining the forces of working classes The trade unions are, for Marx, the instruments to overthrow capitalism.

These are, thus, prime instruments of the class struggle between proletarian workers and capitalist businessmen. Marx advocated that the working class must not divert itself from its revolutionary programme because it is labour struggle only that can abolish capitalism. To Marx, workers' emancipation involves abolition of capitalism.

2. Evolutionary Theory:

This theory also known as "theory of industrial democracy" was enunciated by Sydney and Beatrice Webbs. To Webbs, trade unionism is an extension of the principle of democracy in the industrial sphere. In other words, trade unionism is not an instrument to overthrow the capitalism, but a means of equalizing the bargaining power of labour and capital.

Trade unionism provides a means by which workers overcome managerial dictatorship, on the one hand, and express their voice in the determination of the conditions under which they have to work, on the other.

3. Theory of Industrial Jurisprudence:

According to S. H. Slitcher the propounder of the "Theory of Industrial Jurisprudence", workers individually fail in bargaining with employers for protecting their interests. In his view, trade unionism served as a means for workers to protect them in work. Such an approach of trade unionism, Slitcher termed as "a system of industrial jurisprudence".

4. Rebellion Theory:

To Frank Tannenbaum, the propounder of "Rebellion Theory", trade unionism is a spontaneous outcome in the growth of mechanization. He believes that the use of machines leads to exploitation of workers. Thus, machine is the cause and labour movement, i.e., trade unionism is the result. In other words, trade unionism is a rebellion approach against mechanization automatization of industrial society to protect workers' interest in the enterprise.

5. The Gandhian Approach:

The Gandhian approach of trade unionism is based on "class collaboration rather than class conflict and struggle". The idea to take worker's due share from capitalist by reform and self-consciousness among workers led to the emergence of trade unionism. Thus the Gandhian approach of trade unionism is not only related to material aspect but also moral and intellectual aspects.

Gandhi emphasized that the direct aim of a trade unionism is not, in the last degree political. Instead, its direct aim is internal reform and also evolution of internal strength. Also, trade unionism, according to the Gandhian approach, is not anti-capitalistic as is generally viewed.

Robert F. Hoxie

According to Robert F. Hoxie, trade unions grow out at socio-psychological environment and not purely because of economic reasons.

His reasoning is known as: "Pluralistic casual interpretation of trade unionism".

According to him, unionism affects:-

→ Production
→ Established rights (Employer's right to run his business)
→ Ethical standards
→ Minimizing property rights
→ Distribution
→ law and order
→ power

He classified unions according to their structure and functional operations. His classifications are:

→ Business union or Bread & Butter unionism
→ Friendly or uplift unionism
→ Revolutionary unionism
→ Predatory unionism

(Explain each of this union)

Sydney and Beatrice Webb

- Both were dominant leaders of Labour party of Britain.
- According to them market pressurizes on workers to organize into unions to protect their economic interests.
- The Sydney and Beatrice Webb couple gives a theory on rise of trade unions known as webb's non-revolutionary or Industrial-democracy Approach.
- "Industrial democracy" is the term coined by webb couple. They viewed the trade unions are organizations for overcoming managerial dictatorship to strengthen labourers and to give them some voice in the determination of the working condition.
- According to them workers should have a great say in running the industry. The democratic administration of industry is the main function of trade unions.

- According to webs, if the employers shall dictate obedience from the employees and impose upon them their own terms of service they shall never reap back benefits. Hence, employers and their workmen must should work as equals.

Classless society Approach by Karl Marx

In Marx's view, trade union represents a prime instrument of class struggle between Proletarians and Bourgeois.

According to Karl Marx, capitalism itself paves path for the rise of trade unions due to three reasons:

1. The concentration of wealth in a few hands.
2. The steady depression in wages and growing misery of workers.
3. Frequent economic crisis under capitalism.

According to him, origin of trade union lies in the growth of industrial capitalism. Trade unions can get short-term gains through revolution and struggle with capitalist class, but permanent gain can be achieved only when a socialist State is established.

Gandhi's Approach:

Mahatma Gandhi's philosophy is based on "Sarvodaya" principles of truth, non-violence and Trusteeship, in which class-harmony prevails. He considered trade union are essentially reformist organizations and economic institutions, which must be organized on the basis of assumption that capital and Labour are not antagonistic but are supplementary to each other.

He said, "*My ideal is that capital and labour should supplement and help each other. They should be a great family living in harmony with each other, capital not only looking at material welfare of the labourers but their moral welfare also-capitalists being trustees of the welfare of the laboring classes under them.*"

At the same time, in view of Gandhiji, strikes might be permitted and would succeed, if conditions like these are fulfilled:-

- The cause of strike must be just and genuine.
- The strikers must be united.
- The strikes should be peaceful and non-violent.
- The workers should undertake strike after taking up alternative job for their living during the strike period.
- Strikes should only be resorted to, when moral appeal fails.

Gandhi ji did not favor unions taking part in political activities for two reasons:

→ Because the workers were not enlightened.
→ Because political parties exploited the workers for their own end.

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Scarcity consciousness Approach of Selig Perlman

According to Perlman, three factors are basic in any labour situation:

→ Resistance power of capitalism
→ Degree of their dominance on trade unions
→ The degree of maturity of a trade union "Mentality".

- According to Perlman, unionism developed because of workers' scarcity consciousness, which arise in the minds of the worker's because of the fact that their economic position could not improve beyond that which was barely sufficient to cover their minimum essential of an ordinary standard of living.
- Out of the scarcity consciousness grew job-conscious unionism a kind of unionism which controls job opportunity. The union established certain job 'rights' which it then rations amongst the members on basis of overtime, seniority etc.
- He observed that labour movement has been potent attack on the institution of private property. Through strikes, boycotts, working rules, unions restrict the absolute rights of private property.

Industrial Dispute

Meaning

Industrial disputes are conflicts, disorder or unrest arising between workers and employers on any ground. Such disputes finally result in strikes, lockouts and mass refusal of employees to work in the organization until the dispute is resolved. So it can be concluded that Industrial Disputes harm both parties employees and employers and are always against the interest of both employees and the employers.

According to **Section 2(K)** of the Industrial Disputes Act, 1947, and 'industrial dispute' means "any dispute or difference between employers and employees or between employers and workmen or between workmen and workmen, which is connected with the employment or non-employment or the terms of employment or with the conditions of labour of any person.

Thus form the legal point of view, industrial dispute does not merely refer to difference between labour and capital as is generally thought, but it refers to differences that affect groups of workmen and employers engaged in an industry. Essentially, therefore, the differences of opinions between employers and workmen in regard to employment, non-employment, terms of employment or the conditions of labour where the contesting parties are directly and substantially interested in maintaining their respective contentious constitute the subject-matter of an industrial dispute.

Causes of Industrial Disputes

The causes of industrial conflict or disputes have been much varied. These may be described partly a psychological or social and partly political, but predominantly economic. Some important factors responsible for industrial conflict and poor industrial relations many be briefly stated as follows:

- Management's general apathetic towards workers or employees because of their contention that they want more and more economic or monetary rewards and want to do less work.
- Mental inertia on the part of both management and labour.
- Lack of proper fixation of wages inconformity with cost of living and a reasonable wage structure generally.
- Bad working conditions.
- Attempts by management to introduce changes (such a rationalization, modernization or automation) without creating a favourable to appropriate climate or environment for the same.
- Lack of competence or training on the part of first-line supervision as well management at upper levels in the practice of human relations.
- Assignment of unduly heavy work-loads to worker, unfair labour practices (such as victimization or undue dismissal).
- Lack of strong and healthy trade unionism, lack of a proper policy of union recognition and inter-union rivalries.
- A spirit of non-cooperation and a general tendency among employees to criticize or oppose managerial policies or decisions even when they may be in the right directions.
- A fall in the standard of discipline among employees largely due to wrong or improper leadership, often resulting in insubordination or disobedience on the part of employees.
- Difference in regard to sharing the gains of increased productivity.
- Inadequate collective bargaining agreements.
- Legal complexities in the industrial relations machinery or settlement of industrial disputes.
- Lack of necessary changes in the working of government in accordance with changing needs and circumstances.
- Combination of too much law and too little respect for law even at high levels.
- Growing factional and personal difference among rank-and-file employees who are union members or union leaders and a tendency on the part of the management in some cases to prefer having with outside leaders and not give due respect to worker-leaders.
- Political environment of the country; and
- Agitation and wrong propaganda by selfish labour leaders to further their own interests of their own party.

Forms of Industrial Dispute:

The outcome of industrial dispute is locking out from the employer side and workers may resort to strike, Gherao, picketing etc.

1. Strike: - Strike is quitting work by a group of workers for getting their demands accepted by the employer. It is a powerful tool used by the trade unions to pressurize the management to accept their demands. Various types of strikes are

a) **Economic Strike**: - Strike in concern with economic reason like wages bonus or working conditions.

b) **Sympathetic Strike**: - Strike to support the other group of workers on strike within the organization or for the sympathy to union workers on strike in other industries.

c) **General Strike**: - Strike of all the unions in a region or workers of a particular industry for the common demands of the workers concerned.

d) **Sit down Strike**: - When workers stop doing the work but also do not leave the place of work. It is also known as tool down or pen down strike

e) **Slow Down strike**: - When workers remain on their jobs but slow down the output of their work.

2. Lock Out: - Lockout is the step taken by the employer to put pressure on workers. Employer close down the workplace until the workers agree to continue the work on the terms and conditions as given by the employer.

3. Gherao: - Gherao is the action taken by workers under which they restrict the employer to leave the work premises or residence. The person concerned is put away in a ring made of human beings i.e. workers. Gheraos are also being adopted by educational and others institutions. It is an illegal act according to the Law.

4. Picketing: - When workers are not allowed to report for the work by deputing some men at the factory gates. If picketing does not involve any violence it is perfectly legal. It is done to bring into the notice of public that there is dispute between workers and management.

The term industrial unrest is used to describe activities undertaken by the labour and other working people when they feel grievances and protest against pay or conditions of their employment. Industrial unrest can also be defined as the total range of behaviours and attitudes that express opposition and divergent orientations between industrial owners and managers, on the one hand, and working people and their organisations on the other.

Regulation of strikes and lock-outs

Employees do not have an unfettered right to go on strike nor do employers have such right to impost lockout. The Industrial Disputes Act lays down several restrictions on the rights of both the parties. A strike or lockout commenced or continued in contravention of those restrictions is termed illegal and there is serve punishment provided for the same.

Illegal strikes and lockout are of two types:

- Those which are illegal form the time of their commencement; and
- Those which are not illegal at the time of commencement but become illegal subsequently.

Section 22 and 23 of the IDA provide for certain restriction which if not followed make strikes and lockouts illegal from their very commencement.

According to this section, no person employed shall go on strike in breach of contract-

- Without giving notice of strike to the employer, as here matter provided, within 6 week before striking; or
- Within fourteen days of giving such notice; or
- Before the expiry of the date of strike specified in any such notice as aforesaid; or
- During the pendency of any conciliation proceedings before a Conciliation Officer and seven days after the conclusion of such proceedings.

Consequences of illegal strikes and lock-outs

1. *Penalty for illegal strikes [Sec.26(1)]:* Any workman who commences, continues or otherwise acts in furtherance of a strike which is illegal, shall be punishable with imprisonment for a term which may extend to 1 month, or with fine which may extend to Rs. 50, or with both.
2. *Penalty for illegal lock-out [Sec.26(2):* Any employer who commences, continues or otherwise acts in furtherance of a lock-out which is illegal, shall be punishable with imprisonment for a term which may extend to 1 month, or with fine which may extend to Rs. 1,000 or with both.
3. *Penalty for instigation, etc. [Sec. 27]:* Any person who instigates or incites others to take part in, or otherwise acts in furtherance of, a strike or lock-out which is illegal, shall be punishable with imprisonment for a term which may extend to 6 months, or with fine which may extend to Rs. 1,000 or with both.
4. *Penalty for giving financial aid for illegal strikes and lock-outs [Sec. 28]* : Any person who knowingly expends or applies any money in direct furtherance or support of any illegal strike or lock-out shall be punishable with an imprisonment for a term which may extend to 6 months, or with fine which may extend to Rs. 1,000 or with both.

Machinery for Prevention and Settlement of Industrial Disputes in India

The machinery for prevention and settlement of the disputes has been given in the following figure:

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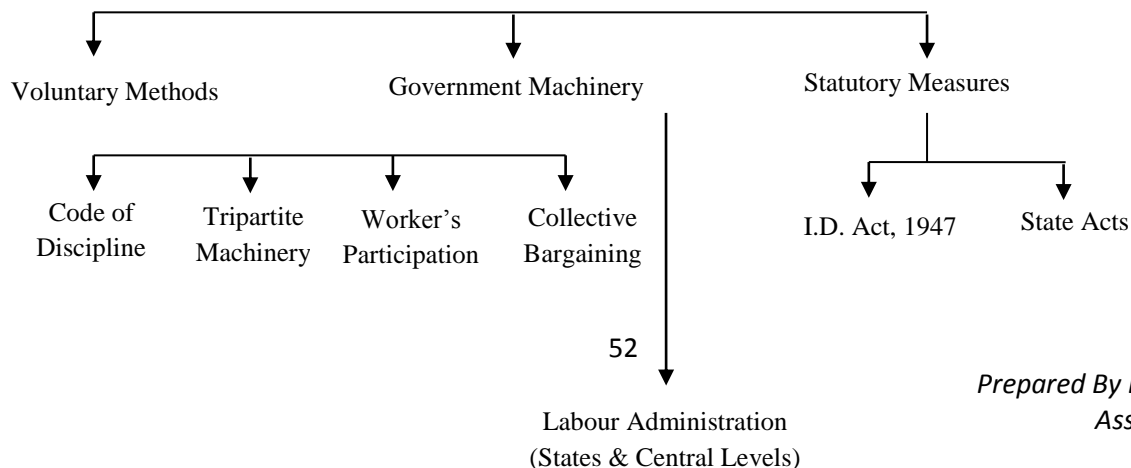
Voluntary Methods

Code of discipline

Formally announced in 1958, the Code of Discipline provides guidelines for the workers, unions and employers. The code which was approved by major national trade unions and principal organisation of employers enjoyed on them to create an environment of mutual trust and cooperation and to settle the disputes by mutual negotiation, conciliation and voluntary arbitration. It required the employers and workers to utilize the existing machinery for the settlement of disputes. Discipline means **orderliness in work** & **conduct**. In organizations, it means situations in which all employees follow, rules, regulations, & procedures of the organization while discharging their tasks, duties, & responsibilities. To maintain harmonious relations and promote industrial peace, a Code of Discipline has been laid down which applies to both public and private sector enterprises. It specifies various obligations for the management and the workers with the objective of promoting cooperation between their representatives.

Tripartite machinery

Tripartite machinery consists of various bodies like Indian Labour Conference, the Standing Labour Committee, the International Committees, the Central Implementation and Evaluation Committee and the Committee on conventions. Generally, these committees include representatives from centre and the states, and the same number of workers' and employers' organisatoins. These various committees are basically of advisory nature, yet they carry considerable weight among the government, workers and employers.

Workers' participation in management

Workers' participation in management is an essential ingredient of industrial democracy. The concept of workers participation in management is based on "Human Relations" approach to management which brought about new set of values to labour and management.

According to one view, workers participation is based on the fundamental concept that the ordinary workers invest his labour in, and ties his fate to, his place of work and, therefore, he has a legitimate right to have a share in influencing the various aspects of company policy".

According to G.S. Walpole, participation in management gives the workers a sense of importance, pride and accomplishment; it gives him the freedom and the opportunity for self-expression; a feeling of belonging to his place of work and a sense of workmanship and creativity. It provides for the integration of his interests with those of the management and makes him a joint partner in the enterprise".

The forms of workers participation in management vary from industry to industry and country to country depending upon the political system, pattern of management relations and subject or area of participation. The forms of workers participation may be as follows:

1. Joint Consultation Modes
2. Joint Decision Model
3. Self Management, or Auto Management Scheme
4. Workers Representation on Board

It should be borne in mind that when individuals are provided with opportunities for expression and share in decision-making, they show much initiative and accept responsibility substantially. The rationale of workers' participation in management lies in that it helps in creating amongst the workers a sense of involvement in their organisatoin, a better understanding of their role in the smooth functioning of industry and provides them a means of self-realization, thereby, promoting efficiency and increased productivity.

Collective bargaining

Collective bargaining is a source of solving the problems of employees in the work situation collectively. It provides a good climate for discussing the problems of workers with their employers. The employees put their demands before the employers and the employers also give certain concession to them. Thus it ensures that the management cannot take unilateral decisions concerning the work ignoring the workers. It also helps the works to achieve reasonable wages, working conditions, working hours, fringe benefits etc. It provides them a collective strength to bargain with the employer. It also provides the employer some control over the employees.

The process of collective bargaining is bipartite in nature i.e., the negotiations are between the employers without a thirds party's intervention. Thus collective bargaining serves to bridge the emotional and physiological between the workers and employers through direct discussions.

Government Machinery

The Ministry of Labour and Employment at the centre is the key agency for the policy formulation and administration in all the matters pertaining to labour. The State governments with the cooperation of their labour departments are responsible for the enforcement thereof. The Directorate General of Employment and Training (DGET), Office of Chief Labour Commissioner (CLC) (Central), the Director General of Mines Safety (DGMS), the Director General of Factory Advice and Labour Institutes, and Industrial Tribunals are some of the agencies through which the Central Government discharges its functions related to framing of labour laws and settlement of industrial disputes. The Labour Secretary is the overall incharge of policy formulation and administration, and commissioners of labour in the States are the operative arms for the effective implementation of Labour Laws.

Statutory Measures – Industrial Disputes Act, 1947

The States are free to frame their own labour laws as the labour falls in the concurrent list, Some States like Maharashtra, M.P., U.P. and Rajasthan have their own Acts. In the rest of the states, Industrial Disputes Act, 1947 applies. However, in the States having their own Acts, the IDA, 1947 will be applicable to the industries not covered by the State Legislation. Formally announced in 1947, the Industrial Disputes

Act, has been amended several times since then. Under the Act the following authorities have been proposed for the investigation and settlement of industrial disputes.

Works committees

The IDA, 1947 provides for setting up works committees in every organisation having 100 or more employees. Having representatives of employees and employees, these are consultative bodies and are set up for maintaining harmonious relations at the work lace and sort out the difference if any. Though the act does not define the jurisdiction of these committees, yet their functions mainly include providing proper working conditions and amenities for the welfare of employees at the work place or away from the work. A work committee aims at promoting measures for securing the preserving amity and good relations between employees and workers.

Conciliation

When the services of a neural party are availed for the amicable solution of a dispute between the disputing parties, this practice is known as conciliation. The IDA, 1947 provides for conciliation and it can be utilized either by appointing Conciliation Officer or by setting up Board or Conciliation.

The Conciliation Officers are appointed by the Government by notifying in the Official Gazettee. Usually at the State level, Commissioners of Labour, Additional and Deputy Commissioners of Labour act as Conciliation Officer for disputes arising in any undertaking employing less than twenty workers. In the conciliation process the officer ties to bring the disputing parties together towards a settlement of the dispute and hence works as a mediator. The intervention of conciliation officer may e mandatory or discretionary. But in the disputes related to public utilities in respect of which proper notice is served to him, his intervention becomes mandatory.

The Board of Conciliation is a higher forum and is constituted for a specific dispute. It consists of equal number of representatives of employers and employees under the chairmanship of an independent person, appointed by the government. The Board has to submit its report to the government regarding the dispute within two months from the date dispute was referred to it. However, depending on the case, the period can be extended.

Voluntary arbitration

Industrial Disputes (Amendment) Bill, 1956 incorporated Section 10A favouring voluntary arbitration. In case of existed or apprehended dispute, the disputing parties can enter into an arbitration agreement in writing. The success of voluntary arbitration depends on "a sufficient degree of mutual confidence in decision by agreement on subjects which may be submitted for arbitration".

Court of enquiry

The IDA, 1947 empowers the appropriate government to constitute a Court of Enquiry. This body basically is a fact-finding agency, constituted just to reveal the causes of the disputes and does not care much for

the settlement thereof. The Court of Enquiry is required to submit its report to the government ordinarily within six months from the commencement of enquiry. The report of the court shall be published by the government within 30 days of its receipt.

Adjudication

If the dispute is not settled by any other method, the government may refer it for adjudication. Hence it is a compulsory method which provides for three-tier system for adjudication of industrial disputes. This machinery consists of Labour Court, Industrial Tribunals and National Tribunal. The first two bodies can be set up either by State or Central Government but the National Tribunal can be constituted by Central Government only, when it thinks that the solution of dispute is of national significance. A Labour Court consists of one person only, called Presiding Officer, who is or has been a judge of a High Court. The jurisdiction of Industrial Tribunal is comparatively wider than Labour Courts, and further the Presiding Officer of Tribunal can have two assessors may be appointed by the Central Government to help its Presiding Officer.

Labour Courts and Tribunals are now required to submit award to the appropriate government within three months in case of individual disputes the submitted award shall be published by government within 30 days from the date of its receipt. It shall come into force on the expiry of 30 days from the date if its publication and shall be operative for a period of one year, unless declared otherwise by the appropriate government.

GRIEVANCE HANDLING

While working together, some time employees feel uncomfortable, aggrieved or disappointed about certain managerial decisions, policies and service conditions. There can be a feeling of ignorance altogether. With this ignored approach employees remains unhappy and unsatisfied with working conditions. If this dissatisfaction of employees goes unattended, the increased irritation of the employees may cause unfavourable attitude towards supervisors, colleagues and the organisation and ultimately a disturbed relationship maintain in an organization. To a large extent, the approach will be governed by several variables such as style of management, size of enterprise, level of education of the workforce, technology of the plant and the extent of unionization of the workforce.

Definition

The term "grievance" has been defined by different researchers in different ways. Mondy and Noe defined grievance as "employee's dissatisfaction or feeling of personal injustice relating to his or her employment."

Jucius defines grievance as "any discontent or dissatisfaction, whether expressed or not and whether valid or not, arising out anything connected with the company which an employee thinks, believes, or even feels, is unfair, unjust or inequitable".

Thus above definitions describes grievance as any dissatisfaction of an employee which is based on his or her perception about the situation within an organization.

The term 'grievance' varies from company to company, which would include any discontent, which affects the organizational environment. As such, grievance can be real or imaginary, written or oral, legitimate or illegitimate.

Keith Davis defines grievance as "any real or imagined feeling of personal injustice which an employee has about the employment relationship."

Nature of grievance

A grievance may be submitted by workers, or several workers, in respect of any measure or situation, which directly affects, or is likely to affect, the conditions of the employment of one or several workers in the organization. Where a grievance is transformed into a general claim either by the union or by a large number of workers, it falls outside the grievance procedure and normally comes under to purview of collective bargaining.

Causes of Grievance

There are several causes, which leads to employee grievance in an organization.

Management Practices

1. The behaviour of supervisor, peer's group can cause grievance.

2. The improper division of work among employees lead to employee grievance.

3. The negligence of one's efforts towards the organization.

4. The autocratic organizational environment can cause grievance.

5. The implementation of personnel policies is not intended policies, it well lead to grievance.

6. If task objective is not clearly defined to employee, then also then employee get frustrated and ultimately grievance arises.

7. Matters such as employee compensation, seniority, overtime and assignment of personnel to shifts are illustrations of ambiguities leading to grievance.

8. Poor communication between management and employees is another cause of grievance.

Union Practices

In firms where there are multiplicities of unions, many of whom may have political affiliation; there is constant jostling and lobbying for numerical strength and support. Where unions are not formed on the basis of specialized craft but are general unions, the pressure to survive is great and, hence there is a need to gain the support of workers.

Under such circumstances the grievance machinery could be an important vehicle for them to show their undeniable concern for workers welfare. The fact that a union can provide a voice for their grievance is an important factor in motivating employees to join a union. Realizing that members expect action and only active unions can generate membership, unions some time incline to encourage the filing of grievance in order to demonstrate the advantage of union membership. It makes union popular that it is the force to solve out the grievance with the management.

Individual Personality Trait

Sometimes mental tension, caused perhaps by ill health also contributes to grievance. Some are basically predisposed to grumble and find fault with every little matter, seeing and looking out only for faults. On the other hand, there are employees who are willing to overlook minor issues and discomforts and get on with the job.

Management of Grievance

It has been widely recognized that there should be appropriate procedure through which the grievance of workers may be submitted and settled. The main aim to solve out grievance with fairness and justice, so that workers dissatisfaction about various aspects can be properly examined and solved out. For this grievance resolution machinery is an urgent need to manage. Grievance resolution machinery permits employee to express complaints without affecting their job, and encourages and facilitates the settlement of misunderstanding between management and labour. The existence of grievance resolution machinery builds confidence in employees to express their discontent, enhance their morale, and satisfies them and also protects them from the injustice; proper and effective communication between management and workers facilitates review and correction. Thus, presence of grievance machinery explains the organizational health, projects the shop floor cultures and shows leadership quality.

Steps for Managing grievances

Flippo describes five steps for managing a grievance. These are following as:

1. Receiving and defining the nature of dissatisfaction: The supervisor should receive the grievance in a way which itself is satisfying to the individual. It involves his leadership style. It has been that employee-centred supervisors cause fewer grievances than production –centred supervisors.

2. Getting the facts: Efforts should be made to separate facts from the opinions and impressions. Facts can be obtained easily if proper records are maintained by supervisors regarding specific grievances and individual attendance, rating and suggestions.

3. Analyzing the facts and reaching a decision: The supervisor must analyze the facts carefully to reach a specific decision, so that grievance can be solved out fruitfully.

4. Applying the answer: The supervisor has to effectively communicate the decisions to the individuals even if they are adverse in nature. The answer to the aggrieved individuals must be based on legitimate ground.

5. Follow-up: The following of the grievance should be made to determine as to whether or not clash of interest has been resolved. In situation where follow up indicates that the case is not resolved satisfactorily, the former four steps should be repeated. The frequent errors in processing of grievance break the whole process. The management should attempt to avoid these errors.

Methods of Identifying Grievances

The following methods can help the employer to identify the grievances:

1. *Directive observation*: Knowledge of human behaviour is requisite quality of every good manager. From the changed behaviour of employees, he should be able to snuff the causes of grievances.

This he can do without its knowledge to the employee. This method will give general pattern of grievances. In addition to normal routine, periodic interviews with the employees, group meetings and collective bargaining are the specific occasions where direct observation can help in unfolding the grievances.

2. *Grip boxes*: The boxes (like suggestion boxes) are placed at easily accessible spots to most employees in the organisation. The employees can file anonymous complaints about their dissatisfaction in these boxes. Due to anonymity, the fear of managerial action is avoided. Moreover management's interest is also limited to the free and fair views of employees.

3. *Open door policy*: Most democratic by nature, the policy is preached most but practiced very rarely in Indian organizations. But this method will be more useful in absence of an effective grievance procedure, otherwise the organisation will do well to have a grievance procedure. Open door policy demands that the employees, even at the lowest rank, should have easy access to the chief executive to get his grievances redressed.

4. *Exit interview*: Higher employee turnover is a problem of every organisation. Employees leave the organisation either due to dissatisfaction or for better prospects. Exit interviews may be conducted to know the reasons for leaving the job. Properly conducted exit interviews can provide significant information about the strengths and weaknesses of the organisation and can pave way for further improving the management policies for its labour force.

Principles or Guidelines for Grievance Handling

1. In handling grievances, a considerable amount of time must be spent in talking to employees; gathering data from them and passing on various types of information. Such talks to be most effective, should conform to definite patterns and adhere to well tested rules.

2. The manager must seek to develop an attitude towards employees that should be helpful in gaining their confidence. The management should also display a sincere interest in the problems of employees and their constructive willingness to be to help to them with a view to gain not only their confidence but also their utmost loyal by and genuine cooperation.

3. The procedure adopt by the management in handling the grievances must be actual.

4. Grievances should be handled in terms of their total effect on the organisation and not solely their immediate or individual effect.

Steps in handling grievances

It is important that grievance must be handled in a systematic manner. The following steps should be taken in handling grievances:

1. Defining, describing or expressing the nature of the grievances as clearly and fully as possible;
2. Gathering all facts that serve to explain when, how, where, to whom and why the grievance occurred;
3. Establishing tentative solutions or answers to the grievances;

4. Gathering additional information to check the validity of the solutions and thus ascertain the best possible solution;

5. Applying the solution, and

6. Following up the case to see that it has been handled satisfactorily and the trouble has been eliminated.

Grievance handling procedures

- Grievance procedure is the most significant channel through which dissatisfaction of employees can be communicated to management. A grievance procedure is an ordered multistep process that the employer and employee jointly use to redress grievances and resolve disputes that arise. Thus a formal procedure which attempts to resolve the differences of parties involved, in an orderly, peaceful and expeditious manner, may be defined as grievance procedure or grievance redressal machinery. The steps in this machinery vary from organisation to organisation.

- For handling grievances, as a first step, the management is required to designate the persons for each of the various departments to be approached by the works and the department heads for handling grievances as the second step. A Grievance Committee may also be constituted with representatives of workers and management.

- The model grievance procedure gives the various steps through which a grievance should be processed.

- First, the grievance is taken to the departmental representative of the management who has to give an answer within 48 hours. Failing this, the aggrieved worker/ employee can meet the departmental head along with the departmental representative of the management and this step is allotted three days. Above this, the grievance is taken up by the Grievance Committee which should make its recommendations to the manager within seven days. The final decision of the management has to be communicated to the workers or employee concerned within three days of the Grievance Committee's recommendations. If the employee is not satisfied, he can make an appeal for revision and the management has to communicate its decision within a week. In the case of non-settlement, the grievance may be referred to voluntary arbitration. The formal conciliation machinery will not be invoked till the final decision of the top management has been found unacceptable by the aggrieved employee.

- In the case of any grievance arising out of discharge or dismissal, the workman or employee has the right to appeal either to the dismissing authority or to a senior authority specific by the management within a week from the date of dismissal or discharge.

- Although the grievance procedure gives the employees opportunity to raise their grievances to the highest possible level of management, yet they should be resolved as close as possible to their source. The main object of grievance procedure is to resolve the grievance at earliest possible stage. The management must convince itself that justice is not only done, but seen to be done and the presence of a trade union representative with the aggrieved party helps to ensure fair play not only for the employee concerned, but also for his management.

Employee Discipline

Discipline may be defined as an attitude of mind which aims at inculcating restraint, orderly behaviour and respect for and willing obedience to a recognized authority. In any industry discipline is a useful tool for developing, improving and stabilizing the personality of workers. Industrial discipline is essential for the smooth running of an organisation, for increasing production and productivity, for the maintenance of industrial peace and for the prosperity of the industry and the nation. It is a process of bringing multifarious advantages to the organisation and its employees.

Webster's Dictionary gives three meanings to the world "discipline". First, it is the training that corrects moulds, strengthens or perfects individual behaviour; second, it is control gained by enforcing obedience; and third, it is punishment or chastisement.
According to Dr. Spiegel, "discipline is the force that prompts an individual or a group to observe the rules, regulations and procedures which are deemed to be necessary to the attainment of an objective; it is force or fear of force which restraints an individual or a group from doing things which are deemed to be destructive of group objectives.

Discipline is a product of culture and environment and a basic part of the management of employee attitudes and behaviour. It is a determinative and positive willingness which prompts individuals and groups to carry out the instructions issued by management, and abide by the rules of conduct and standards or work which have been established to ensure the successful attainment of organizational objectives. It is also a punitive or a big stick approach which imposes a penalty or punishment in case of disciplinary violations.

FEATURES OF CODE OF DISCIPLINE

- It prohibits strikes and lockouts without proper notice.
- There shall be no one sided action in any matter by either party.
- The workers will not indulge in any trade union activity during working hours.
- The employers will not increase work loads without prior agreement with the workers.
- The union shall discourage the negligence of duty, careless operation, damage to property, disturbance of normal work and insubordination.
- Prompt action should be taken against those officers who instigate the workers for the breach of its discipline.

The basic objectives of Code of Discipline are to:
a) Maintain peace and order in industry.
b) Promote constructive criticism at all levels of management and employment.
c) Avoid work stoppage in industry
d) Secure the settlement of disputes and grievances by a mutually agreed procedure
e) Avoiding litigations

f) Facilitate a free growth of trade unions

g) Eliminate all forms of coercion, intimidation and violations of rules and regulation governing industrial relations

A few important provisions of code of discipline are:

- Strikes and lockout cannot be declared without proper notice.
- The parties should not take any action without consulting each other.
- There should be no go slow statistics or any resort to deliberate damage to plant or property or resort to acts of violence, intimidation, coercion etc.
- No unilateral action should be taken in connection with any industrial matter.
- Employees should follow go slow tactics
- No deliberate damage should be caused to a plant or property
- Acts of violations, intimidation and coercion should not be resorted
- The existing machinery for the settlement of disputes should be utilized.
- Actions that disturb cordial relationships should be avoided
- The code has moral sanction only and it does not entail any legal liability or punishment.
- It contains three sets of code:

  - Management and union agrees

  - Management agrees

  - Union agrees

There are two aspects of discipline. They are:

A. Positive Aspect and

B. Negative Aspect.

Positive Aspect

Employee complies with rules not out of fear of punishment but out of an inherent desire to co-operate and achieve goals. Where two-way communication, clear goals and effective leadership mark the organisational climate, employees need not be indiscipline in the traditional way.

This type of approach is called positive approach or constructive discipline or self-discipline. According to Spriegel, "positive discipline enables an employee to have a greater freedom in that he enjoys a greater degree of self-expression in striving to achieve the group objective, which he identifies as his own".

Negative Aspect:

- Employees sometimes do not believe in and support discipline. As such, they do not adhere to rules, regulations and desired standard of behaviour. In fact, disciplinary programme forces and

constraints the employees to obey orders and function in accordance with set rules and regulations through warnings, penalties and other forms of punishment. It is also known as **punitive or corrective discipline** involves imposition of penalties or punishment to force workers to obey rules and regulations objective is to ensure that employees do not violate the rules and regulations. Negative disciplinary action involves such techniques as fines reprimand, demotion, layoff, transfer etc.

○ Negative discipline does not eliminate undesirable behaviour, it merely oppresses it.

○ While exercising negative discipline, management should proceed in a sequential manner viz. an oral reprimand, a written reprimand, a warning, temporary suspension and dismissal or discharge.

○ It is also called 'enforced discipline'. In case of negative discipline, employees are forced to obey orders and abide by rules and regulations that have been laid down, failing which penalties and punishment would be imposed on them. Thus, the objective of using punitive or coercive discipline is to ensure that employees do not violate rules and regulations formed by the organisation.

○ In other words, the purpose of negative discipline is to scare other employees and to ensure that they do not indulge in undesirable behaviour. It is worth mentioning here that negative discipline cannot eliminate the undesirable behaviour of the employees, but can merely suppress it.

Indiscipline

The term 'indiscipline' generally means the violation of formal or informal rules and regulations in an organisation. Indiscipline, if unchecked, will affect the morale of the organisation. Hence indiscipline is to be checked by appropriate positive means to maintain industrial peace.

Causes for indiscipline in organizations

It is more complex and difficult to identify the causes of indiscipline. The policies and procedures of organizations, the attitude of the management towards workers, the attitude of workers, individual behaviors etc. are the causes for indiscipline.

The important causes for indiscipline are:

- Ineffective leadership to control, coordinate and motivate workers.
- Low wages and poor working conditions.
- Lack of timely redressal or workers' grievances.
- Lack or defective grievance procedure.
- Character of the workers such as gambling, drinking, violet nature etc.
- Political influence.

Principle of Effective Discipline

Disciplinary actions have serious repercussions on the employees and on the industry, and, therefore, must be based on certain principles in order to be fair, just and acceptable to be the employee and their unions. Therefore, in any discipline maintenance system, certain principles are to be observed such as:

1. The rules of discipline, as far as possible, should be framed in cooperation and collaboration with the representatives of employees for their easy implementation. Employees in a group should be associated in the process of discipline enforcement. The group as a whole can control an individual works much more effectively than the management can through a process of remote control or by imposing occasional penalties. Informal groups are likely to exert social pressures on wrong-doers avoiding the need for negative disciplinary actions.

2. The rules and regulations should be appraised at frequent and regular intervals to ensure that they are appropriate, sensible and useful.

3. The rules and regulations should be flexible to suit different categories of employees in the organisation, i.e., both the blue-collar workers and white-collar employees.

4. The rules must be uniformly enforced for their proper acceptance. They must be applied fairly and impersonally. In other words, all defaulters should be treated alike, depending upon the nature of their offence and past record. Any discrimination or favoritism in this regard is likely to create discontent among the employees. Further, there should be a definite and precise provision for appeal and review of all disciplinary actions.

5. The rules of discipline embodied in the standing orders, or in the company's manual, must be properly and carefully communicated to every employee preferably at the time of induction for their easy acceptance. It serves as a warning and a learning process and helps to improve future behaviors of the employees in the enterprise.

6. Every kind of disciplinary penalty, even if it is a rebuke or a warning, should be recorded. In some of the American industries they have what is known as the "pink slip system". Pink slips are issued as warning signals to a defaulting employee. A person who has been issued with a stated number of pink slips will be liable to be laid-off or discharged, and no elaborate procedure has to be followed.

7. The responsibility for maintaining employee discipline should be entrusted to a responsible person (e.g. a line executive), through it is the personnel officer who should be given the responsibility of offering advice and assistance. The line executive should issue only verbal and written warnings. In serious matters, which warrant suspension, discharge etc., the industrial relations departments should be consulted.

8. Disciplinary actions should be taken in private because its main objectives is to ensure that a wrong behaviour is corrected and not that the wrongdoer is punished. If disciplinary actions are taken in the presence of other employees, it may offend the sense of dignity of the employee and impair his social standing with his colleagues. Similarly, an immediate supervisor should never be disciplined in the presence of his subordinates. If this happens, it would lower his status and authority, and make it difficult, if not impossible, for him to discipline his subordinates under certain circumstances.

9. A punitive action must satisfy the principle of natural justice. The management must act without bias and without vindictiveness, and its disciplinary actions must be based on justice and fair play. The punishment should be commensurate with the gravity of the offence. An individual is presumed to be innocent until he is proved to be guilty. The burden of proof is on the employer and not on the employee.

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Approaches to Discipline Enforcement

The different approaches to discipline include-

- Human Relations Approach
- Human Resources Approach
- Group Discipline Approach
- The Leadership Approach and

Under human relations approach, the employee is treated as human being and his acts of indiscipline will be dealt from the view point of human values, aspirations, problems, needs, goals, behaviors etc. In this approach the employee is helped to correct his deviations.

Under human resources approach, the employee is considered as 'resource' as an asset to the organisation. This approach analysis the cause of indiscipline from management activities such as defects in selections, training, motivations, leadership etc., after identifying the defects, corrective steps are carried out by the management.

Under group discipline approach, group as a whole, sets the standard of disciplines and punishments for the deviations. In this approach, trade unions also act as agencies in maintaining discipline in work situation.

Under the leadership approach, in disciplinary cases are dealt on the basis of legislations and court decisions. The Industrial Employment (Standing Orders) Act, 1946 to a certain extent, prescribed the correct procedure that should be followed before awarding punishment to an employee.

Code of Discipline

The Fifteenth Indian Labour Conference discussed the question of discipline in industry and laid down the following general principles:

- There should be no lock-out or strike without notice.
- No unilateral action should be taken in connection with any industrial matter.
- There should be no recourse to go-slow tactics.
- No deliberate damage should be caused to plant or property.
- Acts of violence, intimidation, coercion or instigation should not be resorted to.
- The existing machinery for settlement of disputes should be utilized.
- Awards and agreements should be speedily implemented.
- Any agreement which disturbs cordial industrial relations should be avoided.

The Code embodies four parts. Part I contains the duties and responsibilities of employees, workers and the government in maintaining discipline in industry. Part II enlists the common obligations of management and unions. Part III deals with the obligations of management only, while Part IV relates to those of the unions only. In additions, Annexure-A to the Code embodies the national level agreement on

the criteria for the recognition of unions. A supplementary document contains the rights of recognized unions and a model grievance procedure. Thus, the Code is highly comprehensive and ethical in its approach to the industrial relations system. It has been reproduced below.

Part –I:To maintain discipline in industry (both in public and private sectors)

There has to be: (i) a just recognition by employers and workers of the rights and responsibilities of either party, as defined by the laws and agreements (including bipartite and tripartite agreements arrived at all levels from time to time); and ii) a proper and willing discharge by either party of its obligation consequent on such recognition.

Part – II: To ensure better discipline in industry, management and union(s) agree

- that no unilateral actions should be taken in connection with any industrial matter and that disputes should be settled at appropriate level;
- That the existing machinery for settlement of disputes should be utilized with the utmost expedition.
- that there should be no strike or lock-out without notice;
- that affirming their faith in democratic principles, they bind themselves to settle all future differences, disputes and grievances by mutual negotiation, conciliation and voluntary arbitration;
- that neither will have recourse to (a) coercion, (b) intimidation, (c) victimization, and (d) go-show;
- that they will avoid (a) litigation, (b) sit-down and stay-in-strikes, and (c) lock-uts;
- that they will promote constructive cooperation between their representatives at all levels and as between workers themselves and abide by the spirit of agreements mutually entered into;
- that they will establish upon a mutually agreed basis a Grievance Procedure which will ensure a speedy and full investigation leading to settlement;
- that they will abide by various stages in the Grievance Procedure and take no arbitrary action which would by-pass this procedure; and
- That they will educate the management personnel and workers regarding their obligations to each other.

Part-III Management agrees

- not to increase work-loads unless agreed upon or settled otherwise;
- not to support or encourage nay unfair labour practice such as: (a) interference with the right of employees to enroll or continue as union members; (b) discriminations, restraint or coercion against any employee because of recognized activity of trade unions; and (c) victimization of any employee and abuse of authority in any form;
- to take prompt actions for (a) settlement of grievance, and (b) implementation of settlements, awards, decisions and orders;
- to display in conspicuous places in the undertaking the provision of this Code in local language(s);

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- to distinguish between actions justifying immediate discharge and those where discharge must e preceded by a warning, reprimand, suspension or some other form of disciplinary action and to arrange that all such disciplinary action should be subject to an appeal through normal Grievance Procedure;
- to take appropriate disciplinary action against its officers and members in cases where enquiries reveal that they were responsible for precipitate action by workers leading to indiscipline; and
- to recognize the unions in accordance with the criteria (Annexure A given below) evolved at the 16th session of the Indian Labour Conference held in May, 1958.

Part-IV: Union(s) agrees

- not to encourage any form of physical duress;
- not to permit demonstrations which are not peaceful and not to permit rowdyism in demonstration;
- that their members will not engage or cause other employees to engage in any union activity during working hours, unless as provided for by law, agreement or practice;
- to discourage unfair labour practices such as: (a) negligence of duty, (b) careless operation, (c) damage to property, (d) interference with or disturbance to normal work, and (e) insubordination;
- to take prompt actions to implement awards, agreements, settlements and decisions;
- to display in conspicuous places in the union offices, the provision of this Code in the local language(s); and
- To express disapproval and to take appropriate action against office bearers and members for indulging in action against the spirit of this Code.

The Code does not have any legal section but the following moral sanctions are behind it:

1. The Central Employers' and Workers' Organizations shall take the following steps against their constituent units guilty of breaches of Code:
- to ask the unit to explain the infringement of the Code;
- to give notice to the unit to set right the infringement within a specific period;
- to warn, and in case persistent violation of the Code; and
- not to give countenance, in any manner, to non-members who did not observe the Code; and
- Not to give countenance, in any manner, to non-members who did not observe the Code.
2. Grave, willful and persistent breaches of the Code by any party should be widely publicized.
3. Failure to observe the Code would entail recognition normally for a period of one year-this period may be increased or decreased by the implementing Committee concerned.
4. A dispute may not ordinarily be referred for adjudication if there is a strike or lockout without proper notice or in breach of the code as determined by an Implementation.

The Code of Discipline worked well at the beginning of its introduction and had a considerable impact on the industrial relations scene. But, however, the impact of the Code was not sustained over a long period

of time due to several problems in its application and implementation. The spirit of the Code has not been imbibed by the central organisations which were signatories to it.

According to the National Commission on Labour, the Code has had only limited success and was obviously not the answer to the industrial relations problems. The Code began to rust and the parties were more eager to take it off; they developed an attitude of indifference. As regards the future of the Code, the Commission was in favour of giving a legal form to its important provisions regarding recognition of unions, grievance procedure, unfair labour practices, and the like. With the removal of these provisions from the Code to give them a statutory shape, the Code will have no useful function to perform.

Discipline is a two-way traffic and a breach of discipline on the part of either party in industry will cause unrest. The approach to managing discipline depends to a great extent upon managerial philosophy, culture and attitude towards the employees. A negative approach to discipline relies heavily on punitive measures and in the line with the traditional managerial attitude of "hire and fire" and obedience to orders. On the other hand, a constructive approach stress on modifying forbidden behaviour by taking positive steps like educating, counseling etc., the concept of positive discipline promotion aims at the generation of a sense of self-discipline and disciplined behaviour in all the human beings in a dynamic organizational setting, instead of discipline imposed by force or punishment. In brief, the approach to the disciplinary action in most cases should be corrective rather than punitive.

COLLECTIVE BARAGINING

The term "Collective Bargaining" was identified by Sydney and Beatrice Webb in 1897. Probably, it means, "to bar the gains (of others), collectively." Collective Bargaining – Contract Negotiation and administration involves the relations between employers operating through their representatives and the organised labour. It can be defined as the process through which representatives of management and union meet to negotiate a labour agreement. This means that both management and labour are required by law to negotiate wages, hours, and terms and conditions of employment "in good faith". Good faith bargaining is a term that means both parties are communicating and negotiating and that are being matched with counter proposals with both parties making every reasonable effort to arrive at agreements. It does not mean that either party is compelled to agree to a proposal. According to Harbinson, collective bargaining is "a process of accommodation between two institutions which have both common and conflicting interests." The Asian Regional Conference of ILO held in 1953, asserts that collective agreements are usually the best measures for the determination and adjustment of wages and that attempt should be made as early as possible to develop systems of collective negotiations based on free associations of employers and workers.

Meaning

The term collective bargaining is made up of two words, 'collective' – which means a 'group action' through representation and 'bargaining', means 'negotiating', which involves proposals and counter-proposals, offers and counter-offers. Thus it means collective negotiations between the employer and the

employee, relating to their work situations. The success of these negotiations depends upon mutual understanding and give and take principles between the employers and employees.

Definition

According to Dale Yoder', "Collective bargaining is essentially a process in which employees act as a group in seeking to shape conditions and relationships in their employment".

Michael J. Jucious has defined collective bargaining as "a process by which employers, on the one hand, and representatives of employees, on the other, attempt to arrive at agreements covering the conditions under which employees will contribute and be compensated for their services".

According to the Encyclopedia of social sciences, "Collective bargaining is a process of discussion and negotiation between two parties, one or both of whom is a group of persons acting in concert. The resulting bargain is an understanding as to the terms and conditions which a continuing service is to be performed. More specifically, collective bargaining is a procedure, by which employer and a group of employees agree upon the conditions of work".

Richardson says, "Collective bargaining takes place when a number of work people enter into negotiation as a bargaining unit with an employer or a group of employers with the object of reaching agreement on conditions of the employment of the work people".

The I.L.O. workers manual defines collective bargaining as, "negotiation about working conditions and terms of employment between an employer, a group of employers or one or more employer's organizations, on the one hand, and one or more representative workers organisation on the other with a view of reaching an agreement.

Thus, collective bargaining can simplify be defined as an agreement collectively arrived at by the representatives of the employees and the employers. By collective bargaining we mean the 'good faith bargaining'. It means that proposals are matched with counter proposals and that both parties make every reasonable effort to arrive at an agreement' It does not mean either party is compelled to agree to a proposal. Nor does it require that either party make any specific concessions.

Scope of Collective Bargaining

The scope of collective bargaining is quite vast because of the delicacy of the employer, employee relationship, changing necessity of the organization and its employees, changes in the business environment and competition within the industry and across industry. According to Monappa, the scope of collective bargaining agreements now covers issues such as wages, bonus, overtime, paid holidays, paid sick leave, safety wear, production norms, hours of work, performance appraisal, workers participation in management, hiring, firing of job evaluation norms and modernization. The scope of collective bargaining varies from organization to organization and industry to industry depending upon existence of strong and

matured union and its leadership trust and confidence between union and management, past history and present status of organization with respect to negotiation and their implementation.

Salient Features

- It is a collective process in which representatives of employers and employees participate mutually.
- It is a flexible and dynamic process wherein no party adopt a rigid attitude.
- It is a bipartite process whereas the representatives of workers and management get an opportunity for clear and face to face negotiation.
- It is a continuous process which can establish regular and stable relationship between worker's organization and management.
- It is a practical way to establish an industrial democracy.
- It is a good method of promoting industrial jurisprudence.
- It is good form of interdisciplinary system (i.e. a function embodying economic psychological, administrative, ethical and other aspects.)
- It is a process that includes efforts from preliminary preparations to the presentation of conflicting view points, collection of necessary facts, understanding of view points, taking correct decisions etc.

Importance

Whatever labour laws may lay down, it is the approach of employers and trade unions which matters and unless both are enlightened, industrial harmony is not possible. Therefore, the solution to common problems can be found directly through negotiation between both parties and in this context the scope of collective bargaining is very great.

Collective bargaining is really beneficial forms the stand part of employees and their unions as well as management. If it works well, it develops a sense of self-responsibility and self-respect among the employees concerned and thus significantly paves the way for improved employee morale and productivity.

Collective bargaining restricts management's freedom for arbitrary action and thereby management learns a new code of behaviour by conceiving of the union as a method of dealing with employees. The management also comes to know the grievances of workers in advance and it gives an opportunity to take precautionary measure. Moreover, collective bargaining opens u the channel of communication between top and bottom levels of an organization.

From the point of the view of the society, collective bargaining; if property conducted, result in the establishment of a harmonious industrial climate which helps for the socio-economic development of the nation. It builds up a system of industrial jurisprudence by introducing civil rights in industry and ensures that management is conduct by rules rather than by a arbitrary decisions. It extends the democratic principles from the political to industrial field.

Functions

Prof. Butler has viewed the functions as:

- a process of social change
- a peace treaty between two parties
- a system of industrial jurisprudence

Collective bargaining as a process of social change

Collective bargaining enhances the status of the working class in the society. Wage earners have enhanced their social and economic position in relation to other groups.

Employers have also retained high power and dignity through collective bargaining.

Collective bargaining as a peace treaty

Collective bargaining serves as a peace treat between the employers and employees. However the settlement between the two parties is a compromise.

Collective bargaining as an industrial jurisprudence

Collective bargaining creates a system of "Industrial Jurisprudence". It is a method of introducing civil rights into industry. It establishes rules which define and restrict the traditional authority exercised by employers over their employees placing part of the authority under joint control of union and management.

In addition to the above, its functions include:

- Increasing the economic strength to employers and employers.
- Improving working conditions and fair wages.
- Maintaining peace in industry
- Prompt and fair redressel of grievances.
- Promoting stability and prosperity of the industry.

Principles of Collective Bargaining

The success of collective bargaining is based on certain principles. These principles are to be followed by the employers and unions. Prof. Arnold. F. Campo has laid down certain principles for union and management, for management and for union.

For both union and management

1. Collective bargaining process should give due consideration to hear the problems on both sides. This will develop mutual understanding of a problem which is more important for arriving at the solutions.

2. Both the management and union should analyze the alternatives to arrive at the best solution.
3. There must be mutual respect on both the parties. The management should respect the unions and the unions should recognize the importance of management.
4. Both the union and management must have good faith and confidence in discussion and arriving at a solution.
5. Collective bargaining required effective leadership on both sides, on the union side and management side to moderate discussions and create confidence.
6. In collective bargaining both the union and management should observe the laws and regulations in practice in arriving at a solution.
7. In all negotiations, the labour should be given due consideration – in wage fixation, in working conditions, bonus etc.

For management

1. Management should think of realistic principles and policies for labour regulations.
2. The recognitions of a trade union to represent the problems is more essential. If there are more than one union, the management can recognize on which is having the support of majority of workers.
3. Management should follow a policy of goodwill, and cooperation in collective bargaining rather than an indifferent attitude towards the union.
4. Managements need not wait for trade union to represent their grievances for settlement. Management can voluntarily take measures to settle the grievances.
5. Managements should give due consideration to social and economic conditions of workers in collective bargaining.

For unions

1. Unions should avoid undemocratic practices.
2. Unions have to recognize their duties to the management also before emphasizing their demands.
3. Unions have to consider the benefits to all workers rather than a section of workers.
4. Strike lock-outs should be resorted to, only as a last measure. As far as possible they have to be avoided by compromise and discussion.

Forms of Collective Bargaining

The forms of collective bargaining differ from country to country and time to time in India. Collective bargaining takes the following forms:

1. *Settlements under industrial disputes act*: According to this, negotiations are carried out by officers according to the Industrial Disputes Act.
2. *Settlements by parties*: In this case settlements are arrived at by parties themselves without the interference of a third party.

3. *Consent awards*: Here the agreements are negotiated by the parties on a voluntary basis when disputes are subjudiced. Later these are submitted to the labour courts.

4. *Direct negotiation*: In this agreements are arrived at by both the parties after direct negation. The enforcement of these agreements depends upon the goodwill and cooperation of the parties.

On the basis of the level (in which collective bargaining takes place) it can be classified as:

1. Plant level bargaining
2. Industry level bargaining
3. National level bargaining

Plant level bargaining

It is the micro level bargaining. It takes place in the particular unit between the management and the trade unions of that unit.

Industry level bargaining

Several unions of the same industry form and association and negotiate with the employers.

National level bargaining

In this, the representatives of trade unions and employers at the national level will negotiate.

The Contents of Collective Bargaining Agreements

The scope of collective bargaining has increased during the recent years. Prof. Randle observes that the increase in the scope of collective bargaining is due to the growth of trade unions, increased response by the managements, increased response by the managements, increased prices and the legislations.

Problems relating to security of trade unions, wages, promotions, transfers, hours and conditions or work, holidays and leave with wages, safety and health etc. are included in the collective bargaining.

The Institute of Personal Management includes the following in a collective agreement.

- Nature, scope, definition and purpose of agreement.
- Rights and responsibilities of management and trade unions.
- Wages, bonus, production norms, leave, retirements benefits and other benefits and terms and conditions of service.
- Grievance redressal procedure.
- Methods and machinery for the settlements of possible future, disputes, and
- A termination clause

Thus collective bargaining includes not only the negotiation of wages, but also working condition, labour welfare and organizational matters.

Process of Collective Bargaining

The process of collective bargaining consists of two stages, (i) the negotiation state, and (ii) the contract administration.

Negotiation Stage

At the negotiation stage certain proposals are put forward for mutual agreement after careful consideration. The negotiation stage consists of three steps.

- Preparation for negotiation
- Negotiation procedure
- Follow up action

Preparation for negotiation

First the union will submit their fresh contract to the management before the expiry of existing contract (usually 30 to 60 days before the expiry). Both the management and unions will take considerable time to the preparation and negotiation.

They collect the required data relating to large number of issues such as wage, salary, seniority, overtime allowance, the cost of living, the policies of trade unions and management, nature of agreement in other companies etc.

The company will collect such information its internal sources – such as balance sheet, contract agreements, market research reports, Govt. reports etc. The trade union also collects such data from their own central organisation, research staff from various Department etc.

The personal department prepares a personal, which includes –

- Specific proposals of the company including the objectives of negotiation.
- Estimating the cost of implementing the proposals.
- Classifying the demands as demands acceptable before negotiation, demands acceptable after negotiation, demands which cannot be accepted. Such proposals are based on company's commitment to shareholders, consumers, workers and public.

Negotiation technique or procedure

In this step, a negotiation committee is to be formed by both the parties. From the management side the representative include the chief executives. The unions are represented by the leaders and centrals leaders. The committee consists of three to six members.

The demands are classified as demands which need bargaining and demands which may be rejected. During negotiations, normally the easier demands are taken up first. Both parties should have a "bargaining cushion", and make counter proposals. For example, a demand for wage increase by the union, may be accompanied by a counter proposal for increase in production by the management. Such negotiations go on till the "point of no return" is being reached. A rigid or irrevocable stance should always be avoided.

Follow-up action

At this stage, the agreement is printed and circulated among all the employees. The supervisors will be enlightened about the agreements for their effective implementation.

Contract Administration

Agreement will be useful if they are executed properly. As observed by Profs. Illiamson and Harries, "if anything is more important to industrial relations than the contract itself, it is the administration of the contract".

Prof. Campo has laid down the following general principles for administering the contact effectively;

- Cooperation between both the parties is essential. Both the parties should have a tolerant attitude towards each other and have a spirit of accommodation and goodwill.
- Proper procedure should be adopted for the redressal of grievances by providing opportunity to exchange views.
- When a conference over the redressal of grievance reaches an impasse, the grievance should be referred to arbitration.
- Both the parties should honour the commitment.

Pre-requisite for Successful Collective Bargaining

Collective bargaining will be more effective under the following conditions:

Negotiating team

Negotiating team should represent all groups including production, finance and industrial relations experts. The team should be headed by an appropriate person with adequate authority to take decisions.

Recognition of unions

The management should recognize the trade union and analyze the facts in their representation of grievances. Mutual understanding encourages mutual agreement.

Open mind

Both the management and union should have open minds to listen and appreciate each others point of view with flexibility and adjustment.

'Home Work' on demands

The union and management have to collect relevant data relating wages, conditions of work, welfare schemes, cost of benefits.

Routine problems

The management and unions have to identify the grievances on routine basis and take appropriate action then and there.

Internal union democracy

Trade unions should encourage internal union democracy by consulting the rank and file members.

Importance to output

Trade unions should also give importance to output, quality of the products, company's image etc., in addition to their wages, bonus, working conditions etc.

Strikes/ lockouts

Strikes and lockouts should be resorted to as last measure. Before taking any decision, both the union and management should conduct periodic discussions to avoid strikes and lockouts.

Collective bargaining has gradually been taking roots in Indian soil. Most of the collective bargaining agreements were concluded at plant level. Some industry level agreements were also concluded in textile industries in Bombay and Ahemadabad.

The scope is widening. It includes matters relating to productivity, bonus, modernization, standing orders, voluntary arbitration, incentive schemes and job evaluation etc. The number of agreement has been increasing. Most of the agreements were relating to wages. In a study conducted by E.F.I. shows that out of 109 agreements 96 were relating towages.

Thus collective bargaining is an important method of solving problems, thorough mutual understanding. If used properly it can solve the problems of both the parties- management and union through mutual confidence.

Collective bargaining is also used as a tool for bringing coordination between workers and managements. It also serves as tool of communication of views by both management and works. In the long-run it will serve as an instrument for labour participation in management and pave way for the cordial industrial relations in India.

Collective bargaining in central public sector undertakings

Collective bargaining in central public sector undertakings is done according to the guidelines issued by the Departments of Public Enterprises (earlier known as the Bureau of Public Enterprises). This department

gives the content and limits of financial commitments which a public enterpriser can make with the union during the course of bargaining. However, in many instances these4 limits are circumvented by the management by making gentleman's promises with the unions on several issues outside the written agreement and implementing these promises over a period through administrative orders.

In core industries like steel, ports and docks and banks, collective bargaining is done at the national level for the industry as a whole. Thus, in steel industry, one main collective agreement is entered into by the National Joint Consultative Forum on behalf of all private and public sector steel units with other unions. This is followed by several supplementary agreements being entered into at the plant level to cover aspects not resulted in creating uniform wage structures and fringe benefit patterns in all public sector units irrespective of the nature of industry (labour or capital intensive) and the paying capacity of a unit as determined by its financial performance. This is in sharp contrast to a private sector unit where its wages and fringe benefits are more geared to its specific requirements and circumstances.

Process of Collective Bargaining
Collective bargaining has two faces:
a) The negotiation state; and
b) The stage of contract administration.
The process of collective bargaining involves six major steps
1. Preparing for negotiations
2. Identifying bargaining issues.
3. Negotiating
4. Settlement and contract agreement
5. Administration of the agreement.
One bargaining environment is the type of bargaining structure that exists between the union and the company. The four major types of structures are:
(i) One company dealing with a single union,
(ii) Several companies dealing with single union,
(iii) Several unions dealing with a single company, and
(iv) Several companies dealing with several unions. The bargaining process is comparatively simple and easy if the structure is of first type and becomes difficult and complicated in the remaining.
Negotiation Stage
At the negotiation stage, certain proposals are put forward which explore the possibility of their acceptance and have the way to mutually agreed terms after careful deliberation and consideration. The negotiation stage itself involves three steps namely preparation for negotiation, identifying bargaining issues and negotiating.

1. Preparation for negotiation
Careful advance preparations by employers and employees are necessary because of the complexity of the issue and the broad range of topic to be discussed during negotiations. Effective bargaining means preparing an orderly and factual case to each side. Today, this requires much more skill and sophistication

than it did in earlier days, when shouting and expression of strong emotions in smoke filled rooms were frequently the keys to getting one's proposals accepted.

From the management side the negotiations are required to:

i. Prepare specific proposal for changes in the contract language.

ii. Determine the general size of the economic package the company proposes to offer.

iii. Prepare statistical displays and supportive date for use in negotiations, and

iv. Prepare a bargaining book for company negotiations, a compilation of information on issues that will be discussed, giving an analysis on the effect of each case, its use in other companies, and other facts.

From the employee's side, the union should collect information in at least three areas:

• The financial position of the company and its ability to pay.

• The attitude of the management towards various issues in past negotiation or inferred from negotiations in similar companies.

• The attitudes and desires of the employees.

The other arrangements to be made are selecting the negotiators from both sides and identifying a suitable site for negotiation.

2. Identifying Bargaining Issues:

The major issues discussed in collective bargaining fall under the following four categories:

a. Wage related issues:

This includes such topics as how basic wage rates are determined, cost of living adjustments, wage differentials, overtime rates, wage adjustments and the like.

b. Supplementary economic benefits:

These include such issues as pension plans, paid vacations, paid holidays, health insurance plans, retrenchment pay, Unemployment pension, and the like.

c. Institutional issues:

These consist of the rights and duties of employers, employees, unions, employee's stock ownership schemes, and the like.

d. Administrative issues:

These include such issues as seniority, employee discipline and discharge procedures, employee health and safety, technological changes, work rules, job security, and the like.

While the last two categories contain important issues, the wage and benefit issues are the ones which receive the greatest amount of attention at the bargaining table.

3. Negotiating:

Preparations have been made and issues being identified, the next logical step in collective bargaining process is negotiation. The negotiating phase begins with each side presenting its initial demands. The negotiation goes on for days until the final agreement is reached. But before the agreement is reached, it is a battle of wits, playing on words, and threats of strikes and lockouts. It is a big relief to everybody when the management representatives and the union finally sign the agreement. The success of negotiation depends on skills and abilities of the negotiators. At times, negotiations may breakdown even through both the labour and the management may sincerely want to arrive at an amicable settlement. In order to get

negotiations moving again, there are several measures that are usually adopted by both the parties, which sometimes even include unethical measures:

a. through third party intervention such as arbitration and adjudication,

b. Unions tactics likes strikes and boycotts, and

c. Management strategies such as lockouts, splitting the union, bribing union leaders and using political influence.

(B) Contract Administration

When the process of negotiation has been completed, it is time to sign the contract, the terms of which must be sincerely observed by both the parties. The progress in collective bargaining is not measured by the more signing of an agreement rather; it is measured by the fundamental human relationships agreement. Once an agreement is signed, both the trade union and the management are required to honour it in letter and spirit. The union officers and company executives should explain the terms and implications of the contract to employees and supervisors with a view to ensuring that the day to day working relationship between workers and management is guided by that contract. It is important that contract must be clear and precise. Any ambiguity leads to grievances or other problems. The whole process of contract administration is identified by two steps, namely settlement and contract agreement i.e. settlement of disputes by collective bargaining and find a solution as a contract agreement between union and management and administration of agreement i.e. implementation according to the letter and spirit of the provisions of the agreement.

MODULE-3

TRIPARTISM & IR

Industrial relations in India have been shaped largely by principles and policies evolved through tripartite consultative machinery at industry and national levels. The aim of the consultative machinery is "to bring the parties together for mutual settlement of differences in a spirit of cooperation an goodwill" Thus these bodies play the role of consultants!!

The Planning Commission has summarized the role of tripartite bodies as

- Labour policy in India has been evolving in response to the specific needs of the situation in relation to the industry and the working class and has to suit the requirements of planned economy

- A body of principles and practices has grown up as a product of joint consultation in which representatives of government, the working class and the employers have been participating at various levels.

- The legislative and other measures adopted by government in this field represent the consensus of opinion of the parties vitally concerned and thus acquire the strength and character of a national policy, operating on a voluntary basis.

TRIPARTITE BODIES – INDIA

- Tripartite bodies have been set up by the government to provide a forum of discussion and consultation on various labour related issues.
- Some of the notable bodies are-
  - The Indian Labour Conference (ILC)
  - The Standing Labour Committee (SLC)
  - The Committee on Conventions
  - The Industrial committee
  - Other bodies of tripartite nature which deals in various aspects of labour problems -
    - Steering Committee on Wages
    - Central Implementation and Evaluation Machinery
    - Central Boards of Workers' Education
    - National Productivity Council

Evolution of Tripartite Bodies

- ❖ The Whitley Commission, in 1931, recommended a body be set up to look into the needs for consultation on labour matters. It envisaged a statutory organisation which should ensure adequate representation of the various interests involved: employers, labour and government. They recommended that labour members should be elected by registered trade unions and employers' representatives should be elected by their association. They should meet regularly.
- ❖ It was only after the 4th Labour Conference held in 1942 that a permanent tripartite collaboration machinery was set up – Indian Labour Conference (ILC) and Standing Labour Committee (SLC)

Indian Labour Conference (ILC) and Standing Labour Committee (SLC)

Indian Labour Conference (ILC) and Standing Labour Committee (SLC) have been constituted to suggest ways and means to prevent disputes. The representatives of the workers and employers are nominated to these bodies by the Central Government in consultation with the All-India organisations of workers and employers.

The Labour Ministry settles the agenda for ILC/SLC meetings after taking into consideration the suggestions sent to it by member organisations. These two bodies work with minimum procedural rules to facilitate free and fuller discussions among the members. The ILC meets once a year, whereas the SLC meets as and when necessary.

ILC and SLC are both important constituents of tripartite bodies and play a vital role in shaping the IR system of the country.

ILC and SLC

○ The function of ILC is to " advise the Government of India on any matter referred to it for advice, taking into account suggestions made by the provincial government, the states and representative of the organisations of workers and employers"

○ The function of SLC is to " consider and examine such questions as may be referred to it by the Central Government and to render advice, taking into account the suggestions made by various governments, workers and employers".

The functions of ILC are:

a. To promote uniformity in labour legislation

b. To lay down a procedure for the settlement of industrial disputes

c. To discuss matters of All-India importance as betweenemployers and employees.

Evaluation of ILC and SLC

❖ According to the National Commission on Labour these 2 bodies have contributed to attainment of the objectives set before them. They have facilitated the enactment of central legislation on various subjects to be made applicable to all the states and union territories in order to promote uniformity in labour legislation.

❖ Tripartite deliberations have helped reached consensus on statutory wage fixation, introduction of a health insurance scheme, enactment of the Standing Employment Order Act 1946,, Industrial Disputes Act 1947, Minimum Wages Act 1948, Employees' State Insurance Act 1948, Provident Fund Scheme 1950, The Mines Act 1952 etc.

❖ Other subjects processed by tripartite bodies are workers' education, workers' participation in management, training, wage policy, Code of Discipline, criteria and procedures for the recognition of unions.

❖ Though the recommendation of tripartite bodies is of advisory nature, they carry considerable weight with the government, workers and employers.

COMMITTEE ON CONVENTIONS

• Once a country has ratified an ILO convention, it is obliged to report regularly on measures it has taken to implement it. The government must submit reports regularly detailing the steps they have taken in law and practice to apply any of the conventions they may have ratified. Governments are required to submit copies of their reports to employers' and workers' organizations. These organizations may comment on the governments' reports; they may also send comments on the application of conventions directly to the ILO.

Prepared By Dr. Bonita Mitra
Asst Professor (HR)

- Committee in Conventions is a three-man tripartite committee set up in 1954. The object was

  - To examine the ILO conventions and recommendations which have not so far been ratified by India.

  - To make suggestions with regard to a phased and speedy implementation of ILO standards.

- It is generally composed of eminent jurists appointed by the Governing Body for three-year terms. The Experts come from different geographic regions, legal systems and cultures. The Committee's role is to provide an impartial and technical evaluation of the state of application of international labour standards.

When examining the application of international labour standards the Committee of Experts makes two kinds of comments: observations and direct requests.

- Observations contain comments on fundamental questions raised by the application of a particular convention by a state. These observations are published in the Committee's annual report.

- Direct requests relate to more technical questions or requests for further information. They are not published in the report but are communicated directly to the governments concerned.

The Committee's annual report consists of three parts.

Part I contains a General Report, which includes comments about member states' respect for their Constitutional obligations and highlights from the Committee's observations

Part II contains the observations on the application of international labour standards

Part III is a General Survey.

Industrial Committee

- ❖ Industrial Committees are tripartite bodies where the numbers of workers' representatives are equal to the employers' representatives.
- ❖ These were set up to discuss various specific problems special to the industries covered by them and suggest ways to overcome them.
- ❖ These committees provide a forum for the discussion of proposals for legislation and other matters connected with the labour policy and administration before they brought before the legislature.

Other tripartite Committees

Steering Committee on Wages: It was set up in 1956 and consists of representatives of state government, employers, workers and an economist. Its functions were (i)To study trends in wages, production and price. (ii)To draw a wage map of India (iii)To help laying down principles which will guide wage fixing authorities

2. **Central Boards of Workers' Education:** This was constituted to encourage growth of strong and well informed trade union movement on responsible and constructive lines and comprised of representatives of central & state government, employers and workers

3. National Productivity Council: It encouraged the productivity in the country and consists of the government, employers' associations, labourers' association &organisations and independent experts.

4. Central Implementation and Evaluation Machinery: This is set up to ensure proper implementation of labour awards, agreements and Code of Discipline. It consists of 4 representatives each of central employers' and workers' organisations with union labour minister as chairman

Bipartite bodies:

- ❖ With the beginning of industrialization of India, labor relations in Indian industries have also been largely influenced by Indian democracy. The bipartite consultation machinery was established around 1920, to democratize Indian industrial relations. These joint committees were introduced in TISCO at Jamshedpur.
- ❖ The bipartite consultative machinery comprises of groups like Works Committee and Joint Management Council. These are purely consultative and not negotiating bodies, with equal representations of the employers and the workers. They were set up for dealing with disputes affecting the plant or industry.

Works Committee

- ➢ These committees were established within the industrial units to prevent and settle disputes at the unit level. They comprise of equal representatives of the management and workmen. They are regarded as an effective social institution of industrial democracy and as a statutory body in any enterprise employing 100 or more workers. Their objectives are:

  - • To remove the causes of friction in the day to day work situation by providing an effective grievance-resolving machinery.

  - • To promote measures securing amity and good relationship.

  - • To serve as an important adjunct in continuing bargaining system

  - • To strengthen the spirit of voluntary settlement and conciliation.

Joint Management Council

- ➢ Joint Management Council was established with the concept of progressive joint consultation between management, technicians and workers. The council should be entitled to discuss various matters pertaining to the establishment and recommending steps for its better working and have equal representation of workers and managers. The council is entitled-

- To be consulted on matters of Standing Orders, their amendments, retrenchment, closure, reduction or cessation of operations

- To discuss and suggest on matters of general economic situation of the concern, the market, production and sales programme, methods of manufacturing, annual balance sheets, profit & loss statements, expansion plans etc

- Administrative responsibilities of welfare or safety measures, vocational trainings, working hours, breaks, holidays etc.

International Labour Organisation (ILO)

The International Labour Organization (ILO) was set up in 1919 by the Versailles Peace Conference as an autonomous body associated with the League of Nations. The ILO was the only international organisation that survived the Second World War even after the dissolution of its parent body. It became the first specialized agency of the United Nations in 1946 in accordance with an agreement entered into between the two organizations. India has been a member of the ILO since its inception. A unique feature of the ILO, as distinct from other international institutions, is its tripartite character.

The aims and objectives of ILO are set out in the preamble to its Constitution and in the Declaration of Philadelphia (1944) which was formally annexed to the Constitution in 1946. The preamble affirms that universal and lasting peace can be established only if its is based upon social justice, draws attention to the existence of conditions of labour involving injustice, hardship and privation of a large number of people, and declares that improvement of these conditions is urgently required through such means as the regulation of hours of work, prevention of unemployment, provision of an adequate living wage, protection of workers against sickness, disease, and injury arising out of employment, protection of children, young persons and women, protection of the interests of migrant workers, recognition of the principle of freedom of association, and organisation of vocational and technical education. The Preamble also states that the failure of any nation to adopt human conditions of labour is an obstacle in the way of other nations desiring to improve labour conditions in their own countries.

FUNCTIONS OF ILO

The three main functions of the ILO are;

- to establish international labour standards;
- to collect and disseminate information on labour and industrial conditions; and
- to provide technical assistance for carrying ort programmes of social and economic development.

From the very beginning, the ILO has been confronted with the tremendous task of promoting social justice by improving the work and conditions of life in all parts of the world.

STRUCTURE OF ILO

The ILO consists of three principal organs, namely, the International Labour Conference, the Governing Body and the International Labour Office. The work of the Conference and the Governing Body is supplemented by that of Regional Conferences, Regional Advisory Committees, Industrial Committees, etc. The meeting of the General Conference, held normally every year, are attended by four delegates from each member State, of whom two are government delegates and one each representing respectively the employers and the work people of the State. The International Labour Conference is the supreme organ of the ILO and acts as the legislative wing of the Organization. The General Conference elect the Governing Body, adopt the Organization's biennial programme and budget, adopt international labour standards in the form of conventions and Recommendations and provide a forum for discussion of social and labour issues. The Governing Body is the executive wing of the Organisation. It appoints the Director-General, draws up the agenda of each session of the Conference and examines the implementation by member countries of its Conventions and Recommendations. The International Labour Office, whose headquarters are located at Geneva, provides the secretariat for all conferences and other meetings and is responsible for the day-to-day implementation of the administrative and other decisions of the Conference, the Governing Body, etc. The Director-General is the chief executive of the International Labour Office. An important aspect of its work relates to the provision of assistance to member States. It also serves as a clearing house of information on all labour matters.

CONVENTIONS AND RECOMMENDATIONS

In order to achieve its objective, the ILO has relied on its standard-setting function. The international labour standards take the form of Conventions and Recommendations. A Convention is a treaty which, when ratified, creates binding international obligations on the country concerned. On the other hand, a Recommendation creates no such obligations but is essentially a guide to national actions. The ILO adopted a series of Conventions and Recommendations covering hours of work, employment of women, children and your persons, weekly rest, holidays leave with wages, night work, industrial safety, health, hygiene, labour inspection, social security, labour-management, relations, freedom of association, wages and wage fixation, productivity, employment, etc. One of the fundamental obligations imposed on governments by the Constitutions of the ILO is that they must submit the instruments before the competent national or State or provincial authorities within a maximum period of 18 months of their adoption by the Conference for such actions as might be considered practicable. These dynamic instruments continue to be the principal means at the disposal of the ILO to strive for establishing a just, democratic and changing social order necessary for lasting peace. In fact, these instruments have been included in the category of "international labour legislation". These Conventions and Recommendations taken together are known as the "International Labour Code". Wilfred Jenks describes the International Labour Code as the corpus juris of social justice.

Bipartism link with Tripartism

The state of bipartite relations has an impact on the effectiveness of Tripartism. However, it is necessary to be clear about what is meant by Bipartism in this connection. In many Asian countries Bipartism has been

viewed as the relationship between each of the social partners separately with the government and public authorities. This view has been engendered by factors such as the power of some governments which have no equivalent in the West, the politicization of unions, or the power of employers in business friendly countries. This is not the sense in which the term Bipartism is used. Bipartism in this context means the relationship (dialogue, dealings, negotiation) between the organizations of employers and employees, at the enterprise, industry and national levels.

Apart from the number of parties in the two relationships, there are several points of distinction between them. First, Tripartism operates at the national, industry or provincial levels. It cannot imply that Tripartism operates at that level, in the same way that though the State prescribes rules relating to marriage, it does not mean that the marriage relationship involves State participation. Even though labour inspection is a process undertaken by the State with a view to ensuring the observance of laws and rules required to be observed by enterprises, or at the enterprise level, it is not Tripartism. Bipartism, on the other hand, operates at all three levels, more particularly and frequently at the enterprise level.

A second distinction is based on the subject matter. In tripartite dialogue issues addressed are policy-oriented. This is also the case in bipartite relationships when they occur at the national or industry level. At the workplace level issues relate to the particular workplace, and are of a more practical nature. Third, in regard to parties to the dialogue, tripartite processes involve representatives of employers and employees, as does bipartism at the national, industry or provincial level. But at the enterprise level, there is less scope for the involvement of employers' organizations, though such involvement does occur in countries where the employers' organization negotiates on behalf of the employer in respect of workplace issues such as disputes and strikes, wages and terms and conditions of employment. However, it may be argued that when an employers' organization enters such negotiations, the matter is taken out of the enterprise level. Bipartism can take place at the enterprise level even if there is no union. It is conceivable for bipartism to operate in the same enterprise with or without a union at different levels. As in the case of joint consultation in Japan, bipartism may operate in the form of workplace information-sharing through group activities without the union, and at the corporate level through joint consultation committees consisting of management and union representation.

There is an interplay and interaction between tripartism and bipartism. Since macro level decisions (which may be taken through tripartite consultation) have little value if they are not translated into practice at the enterprise level, bipartism can be a process for giving effect at the enterprise level to tripartite decisions. For example, Singapore's decision in the second half of the 1980s to introduce a flexible wage system was the result of a tripartite consensus. But implementation was determined on a bipartite basis, thus leaving employers and employees (and their representatives) to opt between a profitability or productivity model (or a combination of both). There are, of course, some tripartite decisions which do not call for implementation at the enterprise level, as in the case of social security schemes operative at the national level. Bipartism is not a process intended only to give effect to tripartite decisions. With the increasing emphasis on workplace relations, macro level policies and decisions are influenced by what takes place, or what is needed to support practices, at the micro level. Further, the outcomes of bipartite relationships at the national, industry or provincial levels can have a major influence on tripartite consultation and macro

level policies. A good example is Sweden, where in the 1960s and 1970s the labour market was regulated by the social partners, and national policies reflected their agreements on labour market issues. In its most advanced form, bipartism may lead to 'social contracts' as evidenced in some of the Scandinavian countries and Germany, which define the basic relationship and objectives of the social partners in the labourmarket.Tripartism can become an important means to settle issues when bipartism does not result in a consensus. When such failure leads to disputes, the State's involvement (including through conciliation and adjudication) brings into play the tripartite process

STRENGTHENING TRIPARTITE SOCIAL DIALOGUE

Social dialogue plays a critical role in achieving the ILO's objective of advancing opportunities for women and men to obtain decent and productive work in conditions of freedom, equality, security and human dignity. Social dialogue includes all types of negotiation, consultation and exchange of information between, or among, representatives of governments, employers and workers on issues of common interest.

Social dialogue and the practice of tripartism between governments and the representative organizations of workers and employers within and across borders are now more relevant to achieving solutions and to building up social cohesion and the rule of law through, among other means, international labour standards."

ILO Declaration on Social Justice for a Fair Globalization

How social dialogue actually works varies from country to country and from region to region. It can exist as a tripartite process, with the government as an official party to the dialogue or it may consist of bipartite relations between labour and management, with or without indirect government involvement. It can be informal or institutionalised, and often is a combination of the two. It can take place at the national, regional or at enterprise level. It can be inter-professional, sectoral or a combination of these.

Enabling the conditions of Social Dialogue

The ILO encourages tripartism within Member States by promoting social dialogue to help design and implement national policies. Achieving fair terms of employment, decent working conditions, and development for the benefit of all cannot be achieved without the active involvement of workers, employers and governments, including a broad-based effort by all of them. To encourage such an approach, one of the strategic objectives of the ILO is to strengthen social dialogue among the tripartite constituents. It helps governments, employers' and workers' organizations to establish sound labour relations, adapt labour laws to meet changing economic and social needs and improve labour administration.

Successful social dialogue structures and processes have the potential to resolve important economic and

social issues, encourage good governance, advance social and industrial peace and stability and boost economic progress. Effective social dialogue depends on:

- Respect for the fundamental rights of freedom of association and collective bargaining
- Strong, independent workers' and employers' organizations with the technical capacity and knowledge required to participate in social dialogue
- Political will and commitment to engage in social dialogue on the part of all parties
- Appropriate institutional support
- The ILO helps governments and employers' and workers' organizations establish sound labour relations, adapt labour laws to changing economic and social circumstances and improve labour administration. In supporting and reinforcing employers' and workers' organizations, the ILO helps to create the conditions for effective dialogue with governments and with each other.

Freedom of association

Effective dialogue implies the right freely to form and join groups for the promotion and defence of their occupational interests. Freedom of association and collective bargaining are among the founding principles of the ILO. Soon after the adoption of Conventions Nos. 87 and 98 on freedom of association and collective bargaining, the ILO came to the conclusion that the principle of freedom of association needed a further supervisory procedure to ensure compliance with it in countries that had not ratified the relevant conventions. As a result, in 1951 the ILO set up the Committee on Freedom of Association (CFA) for the purpose of examining complaints about violations of freedom of association, whether or not the country concerned had ratified the relevant conventions.

Workers' Participation in Management

Workers participation in management is in essential ingredient of industrial democracy. The concept of workers participation in management is based in "Human Relations" approach to management which brought about new set of values to labour and management.

Traditionally, the concept of Workers' Participation in Management (WPM) refers to participation of non-managerial employees in the decision-making process of the organisation. Workers' participation in management meets the psychological needs of the workers to a greater extent. That way it may also be treated as the process of delegation of authority in the general areas of managerial functions.

According to one view, workers participation is based on the fundamental concept that the ordinary worker invest his labour in, and ties his fate to, his place of work and, therefore, he has a legitimate right to have a share in influencing the various aspects of company policy".

To quote the version of British Institute of Management, "Workers' participation in management is the practice in which employees take part in management decisions and it is based on the assumption of

commonality of interest between employer and employee in furthering the long term prospects of the enterprise and those working in it".

According to G.S. Walpole, participation in management gives the workers a sense of importance, price and accomplishment; it given him the freedom and the opportunity for self-expression; a feeling of belonging to his place of work and a sense of workmanship and creativity. It provides for the integration of his interest with those of the management and makes him a joint partner in the enterprise".

Dr. Alexander considers a management to be participative, "if it gives scope to the workers to influence its decision making process on any level or sphere or if it shares with them some if its managerial prerogatives".

Clegg says, "It implies a situation where workers representatives are, to some extent, involved in the process of management decision making, but where the ultimate power is in the hands of the management".

According to Dr. Davis, "it is a mental and emotional involvement of a person in a group situation which encourages him to contribute to goals and share responsibilities in them".

According to Dr. Davis, "it is a mental and emotional involvement of a person in a group situation which encourages him to contribute to goals and share responsibilities in them".

In should be borne in mid that when individuals are provided with opportunities for expression and share in decision-making, they show much initiative and accept responsibility substantially. The rationale of workers' participation in management lies in that it helps in creation amongst the workers a sense of involvement in their organisation, a better understanding of their role in the smooth functioning of industry and provides them a means of self-realization, thereby, promoting efficiency and increased productivity.

Thus the concept workers' participation in management encompasses the following:

- It provides scope for employees in the decision making of the organisation.

- The participation may be at the shop level, departmental level or at the top level.

- The participation includes the willingness to share the responsibility by works as they have a commitment to execute their decisions.

- The participation is conducted through the mechanism of forums which provide for association of workers representatives.

- The basic idea is to develop self control and self discipline among works, so that the management become "Auto Management".

Objectives

The scheme has economic, psychological, ethical and political objectives.

- Its psychological objective of the scheme is to secure full recognition of the workers. Association of worker with management provides him with a sense of importance, involvement and a feeling of belongingness. He considers himself to be an indispensable constituent of the organisation.

- Socially, the need for participation arises because modern industry is a social institution with the interest of employer, the share-holders, the community and the workers equally invested in it.

- The ethical objective of participation is to develop workers free personality and to recognize human dignity.

- The political objective of participation is to develop workers conscious of their democratic rights on their work place and thus bring about industrial democracy.

Levels of Participation

Workers' participation is possible at all levels of management; the only difference is that of degree and nature of application. For instance, it may be vigorous at lower level and faint at top level. Broadly speaking there is following five levels of participation:

1. *Information participation:* It ensures that employees are able to receive information and express their views pertaining to the matters of general economic importance.

2. *Consultative participation:* Here works are consulted on the matters of employee welfare such as work, safety and health. However, final decision always rests at the option of management and employees' views are only of advisory nature.

3. *Associative participation:* It is extension of consultative participation as management here is under moral obligation to accept and implement the unanimous decisions of employees.

4. *Administrative participation:* It ensure greater share of works in discharge of managerial functions. Here, decision already taken by the management come to employees, preferably with alternatives for administration and employees have to select the best from those for implementation.

5. *Decisive participation:* Highest level of participation where decisions are jointly taken on the matters relation to production, welfare etc. is called decisive participation.

Forms of Workers' Participation in Management

The forms of workers participation in management vary from industry to industry and country to country depending upon the political system, pattern of management relations and subject or area of participation. The forms of workers participation may be as follows:

1. Joint Consultation Model

2. Joint Decision Model

3. Self Management, or Auto Management Scheme

4. Workers Representation on Board

1. *Joint consultation model:* In joint consultation model the management consults with the workers before taking decisions. The workers represent their view through 'Joint consultative Committees'. This form is followed in U.K., Sweden and Poland.

2. *Joint decision model:* In this form both the workers and management jointly decide and execute the decisions. This form of participation is followed in U.S.A. and West Germany.

3. *Self management of auto management:* In this model, the entire control is in the hands of workers. Yugoslavia is an example to this model. Where the state industrial units are run by the workers under a scheme called 'Self Management or Auto Management Scheme'.

4. *Workers' representation on board:* Under this method, the workers elect their representative and send them to the Board to participate in the decision making process.

The participation of workers may be formal or informal. In the formal participation, it takes the forms of formal structures such as Works Committee, Shop Councils, Production Committee, Safety Committee, Joint Management Councils, and Canteen Committee etc. The informal participation may be such as the supervisor consulting the workers for granting leave, overtime, and allotment of worked or transfer of workers from one department to another.

Workers' Participation in Management in India

Workers participation in management in India was given importance only after independence. Industrial Disputes Act of 1947 was the first step in this direction, which recommended for the setting up of Works Committees. The Joint Management Councils were established in 1950 which increased the participation of labour in management. The management scheme, 1970 gave birth to 'Board of Management'. Since July 1975, the two-tire participation model called 'Shop Council' at the shop level and 'Joint Councils' at the enterprise level were introduced.

Based on the review and performance of previous schemes a new scheme was formulated in 1983. The new scheme of workers participation was applicable to all central public sector enterprises, except those specifically exempted. The scheme with equal number of representatives will operate both at shop as well as plant level. The various functions of participative forum laid down in the scheme could be modified with the consent of parties. The scheme could not make such head way due to lack of union leaders consensus of the mode of representation and workers' tendency to discuss ultra-vires issues e.g. pay scales, wages etc.

Prior to WPM Bill, 1990 all the schemes of participation were non-statutory and concentrated on particular levels. For effective and meaningful participation at all levels, a bill was introduced in Parliament on 25th

May, 1990. The bill provide for effective participation at all level by formulating schemes of participation. For electing representatives for participation it also provides for secret ballot. The appropriate government may also appoint inspectors to review participation schemes and the bill also has provision of punishment for those who contravene any of the provision of the Act.

Thus the workers' participation schemes in India provide wide scope for application and upliftment of workers. But in practice, these schemes have not met with success though they are successful in some private sector units. The factors responsible for the failure are:

- Attitude of the management towards the scheme is not encouraging. The preventatives of workers are not given due recognition by the management.

- The attitude of trade unions towards the schemes is negative as they consider these schemes are reducing the power of Trade Unions. Some Trade Unions boycott Joint Management Council meetings.

  The success these schemes require certain conditions.

- Management should appreciate the scheme and accept them in full faith.

- Trade unions have to cooperate with the schemes.

- Workers have to be educated.

Thus workers' participation in management in India has yet to succeed. It can be done by educating the workers, creating an environment in the organization for coordination of workers and management.

Worker's participation in other countries

Employee representation varies across Europe, combining both representation through local union bodies and works councils – or similar structures elected by all employees. In the 27 EU states plus Norway, there are four states where the main representation is through works councils with no statutory provision for unions at the workplace; eight where representation is essentially through the unions; another 11 where it is a mixture of the two, although sometimes unions dominate; and a further five where unions have been the sole channel, but legislation now offers additional options. In many countries new national legislation implementing the EU's information and consultation directive has complicated the picture. One common feature of most states is that unions play a central role.

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implementing the EU's information and consultation directive has complicated the picture. One common feature of most states is that unions play a central role.

Probable Questions

Short Type

Q1. Define Industrial Relations.

Q2. Write down some important objectives of Industrial Relation?

Q3. What is the scope of Industrial Relation?

Q4. Write down the causes of poor industrial relations?

Q5. What do you mean by Trade Union?

Q6. Define Industrial Dispute

Q7. What are the Objectives of Code of Conduct?

Q8. What do you mean by Psychological Contract?

Q9. What is Craft Union?

Q10. What is Employee Discipline?

Q11. Why do workers join Trade Union?

Q12. Differentiate between Intra-mural activities and Extra-mural activities

Q13. Differentiate lockout from strike.

Q14. Explain briefly the concept of Go-Slow Strike.

Q15. Enlist the main function of ILO

Q16. Describe the various approaches to Employee Relations Strategy.

Q17. Discuss the importance of Employee Relationship Management

Q18. Who are the different parties to Industrial Relations?

Long Type

Q1. Explain briefly the various types of trade union.

Q2. Explain the various approaches to Industrial Relations

Q3. What are the various methods of Recognition of trade union?

Q4. What are the main objectives of Industrial Relations? Explain the system framework given by Dunlop with diagram.

Q5. Define Trade Union. Explain the various theories of Trade Union.

Q6. It is said that "Tripartism is the strength of ILO", explain. Write a brief note on the organizational structure of ILO.

Q7. Participation of workers in management is claimed to usher in the era of "Industrial Democracy". Discuss.

Q8. "Is Collective Bargaining superior to other methods of settling Industrial Disputes? Suggest measures for making collective bargaining effective?

Q9. Explain the objectives and various levels of participation.

Q10. Discuss the features and various forms of WPM.

Q11. What is collective bargaining? Give its purpose?

Q12. Discuss the major objectives of Industrial relations.

Q13. Discuss the steps for managing a grievance.

Q14. What do you understand by Committee on Conventions?

Q15. Explain the various types of Strikes.