

Welcome Presentation on Industrial Relation Management

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Industrial Relations

Industrial Relation means relationship that emerges out of day to day working and association of labour and management

In its wider terms it includes relations between employees & employer in the course of running of an industry and may project itself to spheres which may transgress to the areas of quality control, marketing, price fixation and disposition of profit among others

Industrial Relation is the formal relationship between employers, trade union, govt. or other collective grouping of employees together with the institutional arrangement that arise from these relationship

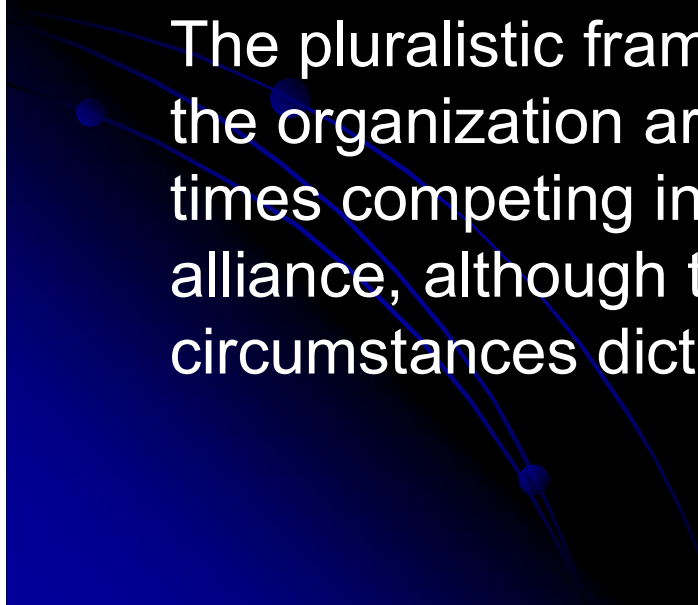
Frame of Reference

The frame of reference is the typifications and tacit understanding people use to make sense of their everyday world

- Unitary frame of reference
 - Pluralistic frame of reference
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Frame of Reference

The unitary frame of reference wherein all people in the organization are working towards one goal, where there is one sense of authority and where conflict is anathema



The pluralistic frame of reference wherein all people in the organization are working with differing and some times competing interests which may come together in alliance, although these alliances shift and change as circumstances dictate

The British System of IR

Every Industrial Relation system involves three groups of actors:

- Workers and their organization
- Managers and their organization
- Govt. agencies concerned with the workplace and the work community.

Every industrial relations systems creates a complex of rules to govern the workplace and work community, these rules may takes variety of forms in different systems, agreements, statutes, orders, decree, politics, customs.

Trade Union

Trade union of workers is an organization formed by workers to protect their interest, improve their working conditions etc

The workers saw the advantage of organizing themselves into groups to improve their terms and condition of employment

- The employer also found it advantageous to deal with a group or a representative of a group rather than go through the process of dealing with each individual over a length of time

Shift from Industrial relation to Employee Relation in 1980's

Trade Union

In India the first phase of Trade union movement started in 1850 to 1900's. The growth was very slow but resulted in lot of strikes at Bombay/Calcutta. The workers understood the power of united action

The second phase came from 1900 to 1947, the phase of developed organized trade unions and political movement of the working class. It also witnessed emergence of militant trade unionism.

- The third phase began with the emergence of independent India and the Govt. sought the cooperation of unions for planned economic development

Apart from Blue Collar workers, the white collar staff also joined the union i.e. Banking/Insurance/Public sector undertaking

Trade Union

Some Important Terms to understand:

- Registration of Union
- Recognition of Union
- Right & Responsibilities of Registered Union
- Multiplicity of Union
- Union Leadership
- Trade Union Finances

Trade Union

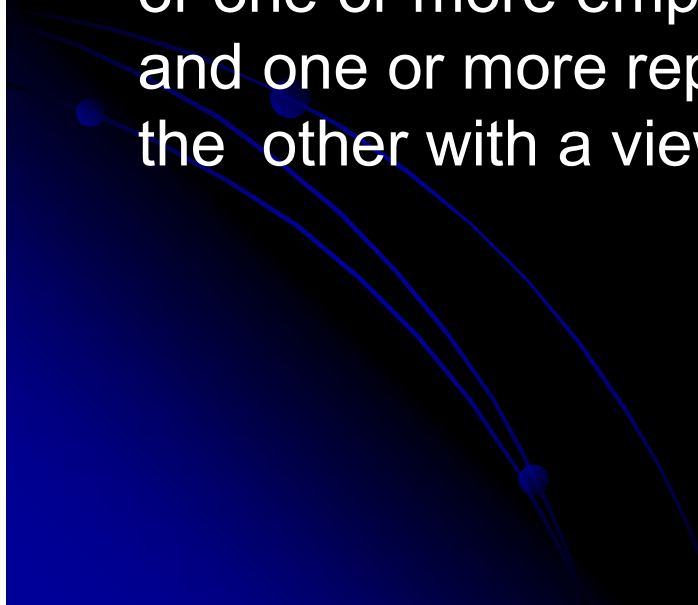
Political Affiliated Unions:

- AITUC (All India Trade Union Congress)
- INTUC (Indian National Trade Union Congress)
- HMS (Hind Mazdoor Sabha)
- CITU (Center for Indian Trade Union)
- BMS (Bhartiya Mazadoor Sangh)
- UTUC (United Trade Union Congress)
- HMP (Hind Mazdoor Panchayat)
- NLO (National Labour organization)

Collective Bargaining

The ILO worker manual defines CB as:

Negotiation about working condition 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 worker's organization on the other with a view to reaching agreement



The Collective Bargaining Process

It is a process where representative of management and the union meet to negotiate a labour agreement that contains agreement on specific provision covering wages, hours and working conditions

Bargain collectively is the performance of the mutual obligation of the employer & the representative of the employees to meet at reasonable times & confer in good faith with respect to wages, hours and terms and conditions of employment, or the negotiation of an agreement or an question arising thereunder, and the execution of written contract incorporating any agreement reached if requested by either party, but such obligation does not compel either party to agree to a proposal or require the making of concession

What is Good Faith

Good faith bargaining is the cornerstone of effective labour management relations. It means that both parties communicate and Negotiate. It means that proposal are matched with counterproposal and that both parties make every reasonable effort to arrive at an agreement.

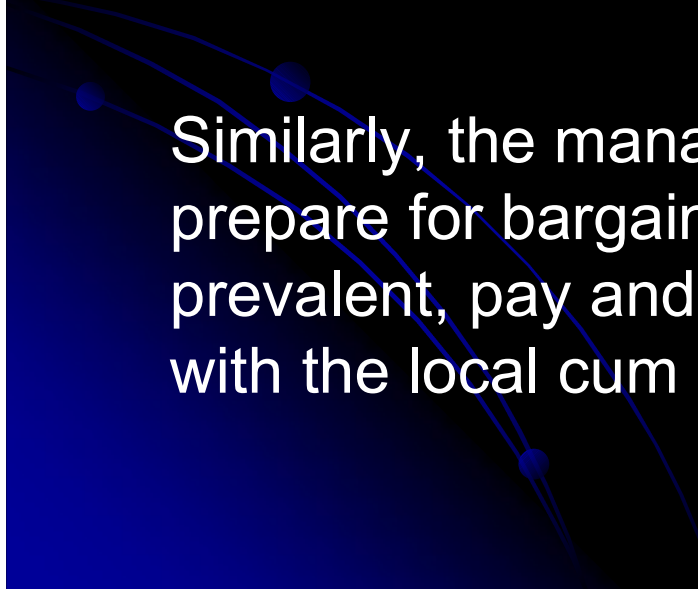
It does not mean that either party is compelled to agree to a proposal, Nor does it require that either party make any specific concessions.

When is Bargaining, not in Good Faith

- Surface bargaining
- Concessions
- Proposal & demands
- Dilatory tactics
- Imposing condition
- Unilaterally changes
- By passing the representative

The Negotiating Teams

Both union and management send a negotiating teams to the bargaining table and both teams usually go into the bargaining sessions have done their homework. Union representatives have sounded out union members on their desires and conferred with union representatives of related unions.



Similarly, the management uses several techniques to prepare for bargaining. For example terms & condition prevalent, pay and benefit data including comparisons with the local cum region industries

Bargaining Items

- Rates of pay/wages
- Hours of employment
- Overtime pay
- Holidays/vacations
- Insurance/welfare benefits
- Incentives
- Job security etc
- Management union relationship

Bargaining Stages

- Presenting Demands
- Reduction in demands
- Sub committee to study demands & work out alternatives
- Informal settlement and each group goes to sponsors
- Formal agreement is fine tuned and signed
- Impasses, mediation, strikes, lock out
- Third party involvement
- Arbitration
- Settlement through Court interventions
- Plant Closure

Negotiating Guidelines

- Set clear objectives for every bargaining items
- Do no hurry
- When in doubt, caucus with you associates
- Be well prepared with firm data supporting your position
- Always strive to keep some flexibility in your position.
- Don't just concern your self, find out why
- Respect the importance of face saving for the other party
- Constantly be alert of the real intentions of the other party
- Be a good listener
- Be fair, firm and friendly
- Control your emotions
- Pay close attention to your wordings
- Keep impact of present negotiation in the future years

Agreement Contains

- Management Rights
- Union Security and automatic payrolls revisions
- Grievance procedures
- Disciplinary procedures
- Compensation rates
- Hours of work/overtime/productivity etc
- Health & safety provisions
- Arbitration clause
- Contract signing & expiration dates

Grievance

Employees occasionally have cause to be uncomfortable, disappointed or aggrieved either about certain managerial decision, practices or service conditions

The issue/difference of opinion is considered as grievance and needs to be handled effectively to avoid its far reaching impact

The soft issue do matter

How to handle Grievance

Do's

- Investigate and handle each & every case
- Talk with employee about his or her grievance
- Union to identify specific provision allegedly violated
- Comply with time limits to resolve grievance
- Examine the prior grievance records
- Determine and examine if there were any witnesses
- Treat the union representative as your equal
- Hold grievance discussion privately
- Fully inform supervisor of grievance matters

How to handle Grievance

Don't

- Discuss the case with the union representative alone
- Make arrangement which are inconsistent to law
- Hold back the remedy if the company is wrong
- Admit to the binding effect of past practice
- Bargain on the items not covered by the contract
- Deny the settlement on the pretext, hands are tied
- Agree to informal amendment in the contract
- In-ordinate delays

Discipline

Discipline is very essential for a healthy industrial atmosphere and the achievement of organization goals.

Discipline is a state of order in an organization. It also means compliance & adherence with the accepted order or proper appreciation of the hierarchical superior-subordinate relationship.

It is a sort of check or restraint on the liberty of an individual. It is a training which rectifies modifies strengthens or improves individual behavior

It corrects improper conduct and thus acts as a force leading to the observance of rules & regulation

Fairness in Disciplining

The purpose of discipline is to encourage employees to behave sensibly at work i.e. adhering to rules and regulations

A set of clear rules and regulations is the first pillar. These rules address issues such theft, destruction of company property, drinking on the job and insubordination

The objective is to set out ahead of time what is and is not acceptable behavior. It is normally covered in the orientation book/period

- A system of progressive penalties is a second pillar of effective discipline

Thirdly, an appeal process should be part of the disciplinary process this helps to ensures that the discipline is meted out fairly and is equitable.

Lastly the legal provisions/ statutory rules stated by the govt. machinery

Discipline Guidelines

- Make sure the evidence supports the charge of employee wrongdoing
- Ensure that the employee due process of rights are protected
- The discipline should be in line with the way management usually responds to similar incidents
- Adequately warn the employee of the disciplinary consequences of his or her alleged misconduct
- The rule that allegedly was violated should be reasonable related to the efficient and safer operation of the particular work environment
- Applicable rules/order or penalties should be applied without discrimination
- Don't rob your subordinate of his or her dignity
- Remember that the burden of prove is on the management
- Get the facts
- Don't act while angry

Discipline Guidelines

- Issue an oral reminder for the first misconduct
- Should another incident arise within six weeks, issue the employee a formal written reminder a copy of which should be placed in his personal file
- Give a paid one day “decision making leave” if the incident get repeated again in six week.
- If no further incident occurs in the next year or so, you may decide to purge the formal warning. If repeats it warrants dismissal/discharge
- Managing dismissal/discharge

The above are only guidelines but can change basis situation to situation

Principle of Natural Justice

- Issue a charge sheet
- Consider the explanation
- Give notice of enquiry into the charges
- Suspension with or without pay, pending enquiry
- Records the findings by the enquiry officer
- Punishment decision
- Communication of punishment

Managing Careers from Hiring to Retirement

A career may be defined as the occupational positions a person has had over many years.

The steps:

1. Orientation/Induction
2. Rewarding/challenging opportunities
3. Decision making opportunities/involvement
4. Learning & growth oriented organization climate
5. Career oriented appraisals
6. Talent pool identification & road maps for development
7. Transfer/promotions
8. Mentoring
9. Career counseling

Labour Laws Statutory Acts

- Apprenticeship Act
- Contract labour Regulation & Abolition Act
- Employees Provident fund Act
- Employee State Insurance Act
- Factories Act
- Industrial Dispute Act
- Industrial Employment (standing order) Act
- Equal Remuneration Act
- Minimum Wages Act
- Payment of Bonus Act
- Payment of Gratuity Act
- Payment of wages Act
- Maternity Benefits Act
- Workmen's Compensation Act

Employment Law Machinery

- Workers participation/Works committee
- The Advisory, Conciliation & Arbitration Service
- Labour Court
- Industrial Tribunals
- National Tribunals
- High Courts
- Supreme Courts

Thank you very much

Please feel free to raise

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For clarification, if any

