



INDUSTRIAL RELATION - ISSUES & CHALLENGES IN INDIAN INDUSTRY

Dr.Sushma Tiwari

Faculty Department of MBA (HRD), A.P.S.University, Rewa, Madhya Pradesh.

Abstract

A basic characteristic of all industrial societies is large scale wage employment. People seeking wage employment and the persons providing such employment constitute two distinct groups - the workers/employees and the employers/management. The relations between these two groups are structured; they are commonly known as employee—employee relations, labour-management relations, labour relations or industrial relations-Barring the first one, these concepts denote that the relations are collective at least on the side of employees. It is labour union that deals with the employers/management in matters of all issues that are of interest to its constituents- Hence, the relations between the two groups are organized.

Industrial relations in India do not fall into any known pure pattern — bipartitism, voluntarism, or tripartitism.. They exhibit the characteristics of all the systems. Yet none can emphatically say that they are progressive and conducive to achieve the objectives of the industry and the economy.This paper cover different challenges in Indian industries & how to face these challenges.

Each sector of the industry has endeavoured to develop its own system of industrial relations. Often one gets the feeling and impression that industrial relations are determined by the exigencies and the need of the hour. Neither the managements nor the trade unions have any direction.

Introduction

To describe the relations between labour and management the term industrial relations has widely been in vogue. Although the word "industrial relations" suggests that the relations are between workers and management in industries, the concept includes work of a non-industrial character and analogues of industrial relations exist in all human organisations, such as, government, educational institutions, church and charitable organizations, defence services, police and prisons, etc, indicating its pervasive character. The term relation means interaction between people and groups based on attitudes of the interacting people and groups. So the term industrial relations may be defined as the sum total of management's attitude to labour and of the labour to management's policies and practices and the positions the two take on different issues that affect their interests. But industrial relations are not purely between labour and managements, i.e, bipartite. The state is also a party to industrial relation*. It often intervenes in labour-management relations in order to protect the interests of the weaker party - normally the labour - and seeks to regulate the relations between labour and management by enacting labour legislations and requiring the employers/managements to comply with those regulations. Therefore, industrial relations are tripartite- The degree and extent of state intervention determines the nature of tripartite. Considering this dimension of industrial relations we may define the term industrial relations as the complex of inter-relations among the labour, the management and the state that are characterized by legal and conventional norm©, methods and techniques of regulated behaviours, organized and unorganized conflict and cooperation in the achievement of institutional goals. The term-' industrial relations also refers to the cooperative and collaborative interaction between workers, labour unions, management and the state with a view to achieving excellence in productivity of the employees and the enterprise.Hence, industrial relations include the whole range of relations between workers, managers and the state which seek to determine the conditions under which the work is performed and the objectives of the enterprise, employees, the economy and the society are achieved.

Nature of Industrial Relation

But industrial relations are not purely between labour and managements, i.e, bipartite. The state is also a party to industrial relation*. It often intervenes in labour-management relations in order to protect the interests of the weaker party - normally the labour - and seeks to regulate the relations between labour and management by enacting labour legislations and requiring the employers/managements to comply with those regulations. Therefore, industrial relations are tripartite- The degree and extent of state intervention determines the nature of tripartite. Considering this dimension of industrial relations we may define the term industrial relations as the complex of inter-relations among the labour, the management and the state that are characterized by legal and conventional norm©, methods and techniques of regulated behaviours, organized and unorganized conflict and cooperation in the achievement of institutional goals. The term-' industrial relations also refers to the cooperative and collaborative interaction between workers, labour unions, management and the state with a view to achieving excellence in productivity of the employees and the enterprise. Hence, industrial relations include the whole range of relations between workers, managers and the state which seek to determine the conditions under which the work is performed and the objectives of the enterprise, employees, the economy and the society are achieved.



Objectives of Industrial Relation

The primary objective of industrial relations is to maintain congenial relations between employees and employer. The other objectives are:

1. To promote and develop congenial labor management relations.
2. To enhance the economic status of the worker by improving wages, benefits and by helping the worker in evolving sound budget.
3. To regulate the production by minimizing industrial conflicts through state control.
4. To socialize industries by making the government as an employer.
5. To provide an opportunity to the workers to have a say in the management and decision-making.
6. To improve workers strength with a view to solve their problems through mutual negotiations and consultation with the management.
7. To encourage and develop trade unions in order to improve the worker strength,
To avoid industrial conflict and their consequences and
8. To extend and maintain industrial democracy.

Functions of Industrial Relations Include

1. Communication is to be established between workers and the management in order to bridge the traditional gulf between the two.
2. To establish a rapport between managers and the workers.
3. To ensure creative contribution of trade unions to avoid industrial conflicts, to safeguard the interest of workers on the one hand and the management on the other hand, to avoid unhealthy, unethical atmosphere in an industry.

What are the Challenges in India

Suppose a fatal happened in any factory and the worker is contract labour. Now the contractor ran away as soon as this incident occurred, as an IR manager what we should do? We will find there is no provision for compensation by employer for death of contact labour inside factory premises in Contract Labour (Regulation and Abolition) act 1970. Still we have to do something. So an IR manager has to be prepared for these type of scenarios .Let us explore some challenges in brief.

- 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.
- 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 (*Manesar incident where the General Manager (HR) Mr. Awanish Kumar became the victim. Although Mr. Awanish died, but there were around 100 executives who were injured in this “black dot” incident. If asked what is the root cause for this incident. The answer will be failure in conflict management. One thing should be clear in mind of every IR managers that, it is quite easy to deal with the educated and intellectual people when compared to the less educated labour class.*) 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 we can 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.

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

Conclusion

This paper discussed on different issues & challenges in Indian industry like relationship, profit at any cost and exploitation of the social resources and it has resulted into the peril of in differences among the workers. So, it can be easily understood that the IR issues are very critical and it depends upon managers to make it simple.

References

1. Patil Dr.B.R.,Industrial Relation In India-An Overview,Indian Institute Of Mmanagement,Banglore.
2. Mba-Skool-Study-Learn-Share,HR Article ,published on 10 November 2012.