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SUMMARY, CONCLUSIONS AND SUGGESTIONS

Creation and maintenance of good employee-employer relations is the very basis of development of industrial peace. The healthy industrial relations in an enterprise generate democratic attitudes, which lead to progress and stability. In India, industrial democracy plays a vital role in solving welfare issues but as far as decision making at the policy level is concerned, its role is minimal. Industrial relations function at various levels, at the national level, the industrial relations deals with labour relations policy and their function is to frame policies. At the industry level it deals with collective bargaining between employer’s organisations and unions. The next is the enterprise level in which there is a direct relationship between employees and employers and union play an important role.

The government with its concern for accelerated economic development and distribution of social justice is gradually playing a vital role in the shaping of industrial relations policies. The government’s pro-labour policies are reflected in various labour legislations in respect of minimum wages, trade unions, unfair labour practices, industrial employment, social security industrial disputes and policy declaration through Five Year Plans and recommendations of labour commissions. Indian Relations today have undergone radical changes due to changed economic environment, where global competitiveness and international standards in quantity, quality, cost effectiveness and customer concerns are basic requirements. Such a performing climate requires a dynamic and synergetic employee relationship. A market determined profile of industrial relations has changed the concept of traditional industrial relations. The modern industrial relations are a blend of traditional system persist and therefore, lead to conflict with new practices, creating challenging problems for the management as many of the changes are opposed by employees. The issue is much broader than reforming labour management market as
it covers a balancing a committed approach of employers, workers and the government on the aspect of maintaining global competitiveness and providing equity to the workers for social justice. All these changes have made the present system of industrial relations more complex.

The post economic reform period has witnessed a dramatic expansion in the private sector in terms of employment, investment, output etc. in almost all the fields of the economy. But still these industries suffer various problems on labour front. In the present recessionary trends in the global economy, the study pertaining to industrial relations in private sector assumed increasing importance and relevance.

Many scholars, authors, researchers have made contribution on the various aspects of industrial relations in both public and private sectors. The studies have covered the various aspects of industrial relations like, labour problems, wages, working conditions, industrial disputes, health, safety and welfare, trade unionism, collective bargaining, workers participation in management, settlement of disputes etc. Now a day a problem of industrial relations is not limited only to a particular industry but has become a serious social problem as the life of livelihood of ordinary citizens are badly affected.

The present study attempts in analyzing the industrial relations situations in the selected industrial units located in Ahmednagar city, a district head quarter in the State of Maharashtra. The researcher has selected nine industrial units out of thirty large scale industrial units. The study highlights the overall picture of industrial relations in the private sector with the reference to selected Industrial units in Ahmednagar city. The main objectives of the study are to examine the various aspects of industrial relations like, human resource management practices, philosophy and attitude of management, nature of industrial unrest, collective bargaining and settlement of disputes in the selected industrial units. It also attempts to assess the opinions of the workers and union leaders regarding human resource management practices and labour-management relations. As focus of the study on workers, a
sample of 300 permanent workers, being 10% of the total number of each industrial unit was taken. Similarly the office bearers i.e. president and secretary of each of the 9 trade unions have been interviewed and thus covered a sample of 18 trade union leaders. For the purpose of obtaining required information and data from the industrial units, three structure interview schedules were constructed separately for managerial personnel, trade union leaders and workers. All the attempts have been made to obtain detailed information through informal interviews. The present study can give fairly a good idea of industrial relations situations in a particular industrial center i.e. Ahmednagar city.

OBSERVATIONS AND FINDINGS

Having discussed the human resource management practices, industrial unrest and their settlements as well as policy of management to maintain harmonious industrial relations in the selected industrial units and the assessment of opinions of the workers and union leaders on these aspects in the forgoing chapters, some of the important observations and findings are being summarized under the following heads.

A. HUMAN RESOURCE MANAGEMENT PRACTICES

The management of the industrial units has recognized that the success of an organization largely depends on the healthy and harmonious industrial relations. In eight out of nine industrial units both human resource and industrial relations functions are performed by the human resource managers. While in one unit, there are two separate managers each for HR and IR functions. All the managers are well qualified and experienced. The basic educational qualifications are master degree in human resource management like MBA with HRM, MPM or MSW. Their experience ranges from 10 years to 23 years. As all the human resource functions have been computerized, the number of staff in the HR department varies from minimum 3 to maximum 8 only. The human resource policies are observed proactive rather than reactive. They anticipate things and prompts management to take preventive action to maintain harmonious industrial relations in their respective industrial units. So far
recruitment is concerned workers are recruited mostly through the advertisement and
the workers are drawn mainly from the Ahmednagar city and adjacent villages. The
human resource management policies and practices of the selected units in respect of
training, promotion, workers participation in management, communication systems
e tc are observed sound.

Out of 300 workers, 233 (77.67%) workers considered the selection method of
the industrial units to be fair. As regards to trade union leaders 13 out of 18 leaders
accounted for about 72% were satisfied with the recruitment policy. All workers
considered that the training after joining the plant was useful to them. No worker
considered it altogether useless. It may be mentioned that out of 300 workers, 248
accounted for about 83% were satisfied with the policy regarding the promotion for
the worker. While about 78% union leaders considered the promotion policy
satisfactory. In the matter of participation in management is concerned, 247 (82%)
out of 300 workers considered the committees of workers formed by the management
useful and favoured the idea of workers participation in decision making. While 12
(67%) out of 18 workers leaders were satisfied with working of various committee
set-up at plant level.

B. WAGES AND WELFARE FACILITIES

For the purpose of determining wage structure of different categories of
workers, the industrial units have classified the work jobs into different grades as per
job description, job specifications, job evaluation and their relative importance in the
organizations. Each job is grouped into different grades like A, B, C & D or M, S, W.
the wage structure of workers differs from organization depending upon the
company’s financial positions. The minimum wages ranges between Rs. 7,782 pm to
Rs. 17931 p.m. Apart from the basic wages workers are getting varied allowances like
Dearness Allowance, House Rent Allowance, Education Allowance, Conveyance
Allowance, Medical Allowance, Special Allowance, Factory Allowance, Washing
Allowance, City Compensatory Allowance etc. There is an automatic increase in
dearness allowance due to rise in price index. The workers are getting wages
regularly on or before the 7th day of the next month. The industrial units are paying yearly bonus between 8.33% as minimum to the maximum of 20%. The units are providing welfare facilities of canteens, sports and recreational facilities, co-operative societies, housing etc. So far working condition inside the plant such as sanitation, temperature, ventilation, drinking water, lighting, safety provisions etc. are concerned, the units have fulfilled the requirements more than statutory provisions. The number of leaves enjoyed by workers ranges between 38 to 61 days in a year. From the survey it was found that 72% workers and 67% of union leaders were satisfied with the working conditions. While, nearly 48% workers satisfied with medical facilities, 39% with canteen facilities, 28% with recreational facilities and 78% in the accident benefits and 80% with the compensation benefits. All the workers were satisfied with the provident fund benefits.

C. TRADE UNIONISM

The workers of all the industrial units have organized themselves into the union. All the trade unions are registered under the Trade Union Act. However out of 9 units, only 3 units have been recognized by the managements. Involvement of outside leadership was observed high as out of 9 unions, outside leadership is found in 6 (66.66%) union and 3 (33.33%) unions have developed internal leadership. All the permanent workers are the members. Unions have achieved almost 100% membership due to single union structure. The management authorities believe that single, strong and stable unions can only protect the workers interest in true sense and also lead to progress of the industrial units. These units are acting as the sole bargaining agent of all the workers. The financial position of the unions is not sound as small amount of Rs. 100 per worker per annum is collected as a membership contribution. Union leaders meet management authorities periodically to discuss and solve important matters and problems. In the absence of sufficient funds, the unions are not much interested in undertaking welfare activities.
The survey of the workers reveals that most of the members become members of the union for securing economic interest i.e. to get increased monetary benefits. A large majority of workers are taking active participation in union activities. About two-third of the workers were of the opinion that the unions were successful in negotiations. The majority of union leaders agreed that the attitude of the management towards the union is co-operative and sympathetic. They strongly believe in the concept of ‘one-industry-one-union’, to strengthen the trade unionism. The existence and continuations of only one registered union in every industrial unit shows the unity and co-operation among union leaders and workers. More than 60% of the union leaders feel that they can negotiate confidently with the management authorities on the issues of labour problems. The trade unions have been successful in negotiating with management authorities in the form of several agreements on issues like wages, bonus, working conditions and welfare facilities. About 64% of the workers said that unions were successful in protecting the interest of the workers.

D. INDUSTRIAL DISPUTES AND SETTLEMENT

As evident from the data it is clear that out of 9 industrial units, 4 units have been affected by the industrial unrest in the form of strikes, while 5 units have been succeeded in maintaining harmonious industrial relations, as not a single occurred in the entire period of ten years from 1995-96 to 2004-05. The total number of workers involved in strikes was about 3000. The total number of mandays lost was reported to be nearly 1,06,000. Analysis of the causes of strikes during the period of ten years shows that 40% of the strikes were due to conflict among union leaders. The economic reason i.e. demands for higher wages and bonus was another important issue leading to strikes as 3 out of 5 strikes occurred due to this reason. Majority 60% of the strikes were long duration strikes and rests of the 2 (40%) strikes lasted for short duration of 1 to 2 days. Regarding the result of the total number of strikes, 3 (60%) resulted in favour of management and 2 (40%) in compromise.
All the units have had well set and smooth grievance procedure for several years. Most of the grievances are settled successfully either at the level of supervisor or departmental heads. Not a single case of any grievance is pending at the conciliation and arbitration. However, 70 individual cases on the matters of discharges, permanency, disciplinary actions, wages, compensation etc are pending in Courts by the year 2005. The cases pending in District Labour Court are 39 (56%), 19 (27%) in Industrial Court, 4 (6%) in District Court and 8 (11%) in High Court. As compare to the total number of employees, the number of grievances is not significant. For the several years, the industrial units have established a tradition to settle disputes through collective bargaining. Since the inception of units, number of settlement especially on wage structure, bonus, welfare facilities, conditions of employments have been mutually agreed upon.

TESTING OF HYPOTHESIS

Hypothesis – 1: In the global competitive and performance oriented economic environment, the management of industrial units have realized the importance of human resources and healthy industrial relations for effective organizational performance.

The researcher has interviewed management authorities like HR managers, IR Managers, General Managers, Senior General Managers of the selected nine industrial units to study the human resource policies and practices. The opinion survey of management authorities indicates that all management authorities agreed that the performance and effectiveness of an organisation largely depends on the human resources. They considered human resource policies as an integral part of the over all corporate philosophy of all the units. Their mission and vision statement emphasis on employee satisfaction, developing fair reward system, team work providing equal opportunities for self development, developing dedicated and capable work force, sharing of knowledge and best practices to improve productivity and the like. As regards to maintaining harmonious industrial relations their views are observed proactive rather than reactive. They anticipate things and prompts
management to take preventive action to maintain harmonious industrial relations. This hypothesis has been proved true in the study.

**Hypothesis – 2: The industrial units are continuously adopting human resource development and welfare oriented practices and policies to have healthy industrial relations. These practices have provided sound base for maintaining harmonious industrial relations, developing labour-management cooperation and mutual understanding.**

This has also been proved true. The human resource development and welfare oriented practices and policies of the selected industrial units are reflected through periodic revision of wages and other allowances including DA, regular payment of bonus, good working conditions, adequate leaves, welfare facilities and amenities, safety provision, workers participation in management, grievance redressal procedure, communication system etc. The management authorities strongly believe in collective bargaining and practicing it for the several years to a settle any matters of disputes. All these practices have provided a sound base for labour-management cooperation, mutual understanding and ultimately healthy industrial relations. The opinion survey of 300 workers and 18 union leaders indicates that majority of the workers and union leaders are quite satisfied with human resource practices of the units.

**Hypothesis – 3: On the whole, the industrial relations in the selected industrial units in Ahmednagar city are quite cordial.**

From the available data it is clear that out of 9 units, 4 units have been affected by the industrial unrest in the form of strikes. While 5 units have been succeeded in maintaining harmonious industrial relations, as not a single incidence of strike took place in a period of ten years from 1995-96 to 2004-05. During the period total 5 strikes took place in 4 units. The total mandays lost was reported to be 1,06,597. The past records of the corresponding 10 years shows that there were also
five strikes but the mandays lost were 1,84,324. It clearly shows the improvement in the industrial relations as mandays lost decreased by 77727. The opinion survey of 300 workers and 18 union leaders shows that 76 (25.33%) workers rated industrial relations as very good, 133 (44.33%) as good, 29 (9.67%) as satisfactory and 62 (20.67%) as unsatisfactory. Thus about 79% of workers have expressed satisfaction towards the state of industrial relations. Out of 18 union leaders, 2 (11.11%) rated industrial relations as very good, 8 (44.44%) as good, 5 (27.78%) as satisfactory and 3 (16.67%) as unsatisfactory. It is also clear that 83% of the union leaders are satisfied with the state of industrial relations in the selected industrial units. On this background it can be safely concluded that the industrial relations in the selected industrial units are quite cordial as more than 80% of the workers and union leaders are satisfied with the state of industrial relations in the selected industrial units. This hypothesis is also been proved true.

From the study it can be concluded that the selected industrial units are continuously adopting human resource development and welfare oriented practices and policies to have healthy industrial relations. These practices have provided sound base for maintaining harmonious industrial relations, developing labour-management cooperation and mutual understanding. Despite several complaints by the workers and union leaders, a large majority of them were agreed that the industrial relations are cordial. By and large all the industrial units have succeeded in making the workers think about their career development and improvement in productivity as a result it has been observed that the production in all the industrial units has been to the tune of 100% of their plant capacity / targeted production.

It is to be noted that maintenance of healthy industrial relations is a continuous process and every organization has to develop proper strategy and mechanism to see that thing are set rightly and disturbances are not created in industrial relations. Industrial relations situations differ from industry to industry, place to place and time to time. As such there cannot be a sure pattern or path to
handle a situation in a most successful manner. It is not possible to formulate a single idle model of Industrial relations which will be conducive to economic growth process and yet suitably safeguard the interest of working population. Industrial relations is an art, the art of living together for the purpose of mutual benefits, understanding, productivity and future development.

The following are the some of the important suggestions that are useful for every organization to create an atmosphere of co-operation, collaboration, coordination and participation amongst all the members of the organizations and to develop integrated approaches to industrial relations.

1. There is a need for bargaining in good faith with the union of the employees on matters concerning compensation, welfare and working conditions. Bargaining outcome should be viewed in a spirit of partnership and give and take rather than in an advertial win – loose model.

2. The provisions of various labour laws, minimum requirement of protection, safety, health, security, retirement benefits, working conditions have been made statutory obligations on the part of employers. As these provisions are ultimately connected with industrial relations, a good employer should always be ahead of statutory obligations.

3. A direct two way flow of communication should be maintained between the management and employees. The relationship between employees and the organization is primary and that of employees and the union of which they become members at later stage is secondary. The secondary relationship become important and value when the primary relationship turns sour.

4. Every organization should have a systematic, simple, prompt grievance procedure in order to redress the grievances effectively.

5. The management or union leaders should not make things and issues too rigid while negotiating any matter of mutual benefits.
6. A workers satisfaction survey may be conducted through proper designed questionnaire to understand their problems, opinions, expectations about the organization and its policies. A survey can be conducted once in a year.

7. There is need to maintain a systematic data base on all aspects covering human resource management to ensure objectivity and transparency in managerial actions. This will help to bridge the gap between management and employees in terms of credibility and confidence through better communication of information and promotion of knowledge about the organization.

8. The trade unions must widen the scope and activity. They need to widen their role from mere wage, incentive, bonus bargaining agent to a body concerned with well being of the company. They should show interest in sharing organization related information, financial position, market trend, competitor’s position, productivity, quality of product, reduction in cost, etc.

9. A constant review of industrial relations programme is essential not only to evaluate the existing practices that also to identify the problems of the system.

10. A HR Manual containing written HR policies and procedures in the form of a useful guide book may be given to employees to clarify the policies and practices and to prevent complaints and grievances.

Things cannot take a new shape unless there is an urge for transformation on the part of top management. The management should feel that problems regarding human resource management deserve as much attention and the other problems regarding manufacturing process, Technology, Market, Quality of product and Profitability. Moral of the work force cannot be built simply by increasing wages or other benefits. The basic change in the attitude and approach is required. This means the recognition of human element in every aspect of human resource management. This change in attitude and approach of the management should be reflected not in the welfare facility and working condition, but also in all other aspects of labour management relationship. Emphasis thus should be shifted from the legal aspects to the psychological aspects of labour administration. Otherwise all innovations will
remain patch work here and there without any change in the spirit of labour management relationship. Both the parties have to interact with full awareness that they have equally vital stakes in the survival and progress of the organization.

In conclusion, industrial relations as an important function of management, has gained sufficient root in India and have now made substantial progress towards improvements in the quality of work life of employees at all the levels. This process will lead to maintain industrial peace and accelerate industrial development in India in the changed economic environment.