Chapter - 5

CONCLUSION

5.1 Backdrop of Study

The IR scenario of India was in a most difficult phase during the 1970s – 1980s with an intense environment of strikes, lockouts, layoffs, retrenchments and closures. The Textile Industry upheaval was a major roadblock to bring about any stability in the overall industrial environment of the country. Militant Trade Union Movement supported by violence and political agendas almost stagnated industrial growth and choked employer - employee relations. The Government was concerned with the negative build up at the industrial front since it brought about all the negatives for the economic front and it was a huge roadblock to pursue the agenda of a developing country. Strong reforms were needed to put the economy in growth and developmental mode from a highly regulated environment.

In early 1990s the Government announced landmark economic reforms liberalizing the economy and created an open market for industrial development. This also necessitated a change in the way business operations were conducted to make them viable and profitable both locally and internationally. The working systems and processes were redefined in the post liberalization period creating new structures and people strategies. There was emphasis on manufacturing growth and technological development including skill building. There was a need to build up a competitive landscape to meet the demands generated by globalization. Human Resource function had to play a strategic role from an administrative one. Work values needed to transcend to newly defined levels.

Given the above background, the Indian Tyre Industry was also required to establish its performance benchmarks afresh. The Industry had a good share of industrial unrest and business challenges since the sector first came to India in mid 1930s. However, despite the long and varied history, the industry stood solidly and dealt with grit and determination, all the challenges posed both by business environment and the intermittent IR troubles. Even today the Industry is dealing with regular issues of production, productivity and industrial peace. Many a time business strategies are
slightly fuzzy and dependent on many variables. In such situations issues of accountability become tough. There is a continuous need to update and upgrade skills which are key to prosperity and efficiency through sustainable practices.

As discussed in the conceptual framework of this study, the Tyre Industry in India is on a high growth path and it has immense potential to maintain a steady growth for many more years. This is primarily due to the growth of the automobile, transport, agriculture, mining, construction and infrastructure sectors across India and the world. There is a shift in the technological field also which has been well adopted by the Industry. Indian tyres in any product category meet international standards and have a large exports market too. Given this solid base, the Industry has a vital responsibility to channelize its staff members and workers to sustain the growth path as also maintain industrial peace, productivity and human development processes. There is a visible business need to have a relook at the human resources and their management. It can be the shop floor workers or the line managers who are required in the system as executors of the business plans. There is a need to manage in smart new ways. How does the management accord the sensitivity the human resources deserve and how the relations between management staff (managers) and workers impact the industry prospects have been the subjects of this study.

Despite the size and complexities associated with the industry, there is almost negligible literature available in terms of IR/HRM- issues and practices to researchers. There are press reports and specific government data on labour unrest mostly in respect of the 10 large industry only. There is data available on commercial front related to government regulations on rubber imports, tyre exports and excise duty. There is still absence of credible research/reports on IR/HRM in the post liberalization period related to tyre industry. The researcher felt a strong need to address these functions in larger context and in detail. The findings in the preceding chapters make it incumbent upon the tyre industry to address these functions with the same priority as they accord to Finance, Marketing and Technology. The tyre industry cannot ignore this need. It is essential for the selected industry to enable them realize their individual Vision and Mission. The preceding chapter on Review of Literature though finds multiple convergence and divergence points for IR including its sub systems and HRM, the literature is devoid of any specific references associated with
the objectives of this study which describe the status of the IR / HRM in the tyre industry in post liberalization period.

This chapter presents the discussions, conclusions and recommendations to the study the Industrial Relations in Tyre Industry: Post Liberalization in India based on the analysis done from the primary data that are collected from 276 respondents which means 138 respondents of Manager group (HR Managers, Consultants, Senior Line Managers, and Experts) and 138 of Workers group (Union Leaders, worker representatives, and workers) belonging to 6 different companies in India like Apollo Tyres Limited, JK Tyre & Industries Limited, CEAT Limited, Balkrishna Industries Limited, Good Year India Limited, Kesoram Industries Limited (Birla Tyres).

5.2 Conclusions:

The empirical findings analysed in previous chapter are discussed here in view of review of literature.

5.2.1 Objectives of Industrial Relations and Human Resource Management

From this study, it is clearly inferred that, Industrial Relations (IR) and Human Resource Management (HRM) have similar objectives. Human Resource Management and Industrial Relations detail about how employees are treated in an organization, their relevance increases when an organization takes the long term view, rather than the short term. Majority of the Managers who participated in this research expressed that Industrial Relations (IR) and Human Resource Management (HRM) have similar objectives. Employee loyalty and commitment are the central objectives of the HRM. IR and HRM are directly relevant to competitiveness and they show the impact on the organization’s performance such as motivation, quality of goods and services, labour costs, productivity, quality of the workforce, and aligning employee aspirations with enterprise objectives. David E. Guest (1987) also stated that, Human Resource Management and Industrial Relations have same set of policies

which are designed to maximize the employee commitment, organizational integration, quality of work and flexibility. From this study, it is clearly understood that, human resource management and industrial relation practices are directed to improve the skills and flexibility of the workforce within an environment which emphasizes trust, cooperation, and communication between the Workers and the Managers. Apart from these, Monappa (2007) also mentioned that, Human Resource Management and Industrial Relations acts as a pathway for both the industrial peace and business growth. Human Resource Management policies and practices at any organization may have the capacity to decide the quality of Industrial Relations(IR). Thus, it can be clearly understood that, industrial relations (IR) and Human Resource Management (HRM) have similar objectives.

5.2.2 Industrial Relations merged with Human Resource Management in the Post Liberalization Era

In the study, in order to analyze how the industrial relations are merged with the human resource management in the post liberalization era, a survey was conducted by the researcher with the Manager group. Majority of the Managers expressed that Industrial Relations has merged with Human Resource Management in the post liberalization era. The business rules have been changing continuously due to the globalization. Due to this change in the scenario IR are viewed with larger lens of HRM as per the Managers group. In the post liberalization era, industrial relations have merged with the human resource management in order to achieve the objectives of the organizations. B R Virmani (2013) also stated that, industrial relations and human resource management are used as a major tool for the total development of human resources in the organization in order to meet the post liberalization competitive environment. Openness and transparency in sharing information, flexible HR policies, employee relations, sharing in the gains, productivity, competitiveness and trust and flatter, leaner, virtual organization structure are the major factors that influence the industrial relations to merge with the human resource management in

the post liberalization era. Apart from these, Venkata (1987)\(^{80}\) has mentioned that, worker groups have raised some disputes in the pre liberalization period on wages and allowances, leading to retrenchment of workers, and workers indiscipline and to violence. Thus industrial relations merger with the human resource management can avoid several employee related issues in the post liberalization era. From this study, it is clearly understood that, industrial relations have been impacted well by the emergence of HRM in the organizations in the post liberalization period.

5.2.3 Industrial Relation is a sound system to deal with Employer - Employee Relationship

The next variable discussed in this study by the respondents was about whether the industrial relation is a sound to deal with the employer - employee relationship. Industrial Relations act as a framework for the labour law in the organizations. The relationship between the employer and employee is primary which is also called as the employee relations or employer - employee relationship. When the respondents were asked about whether the industrial relation is sound to deal with employer - employee relationship, a large block of the Managers who participated in this study expressed that, Industrial Relation is a sound to deal with the employer - employee relationship. Employer - employee relationship come within the human resource or personnel functions and it is handled by the industrial relations specialists. Cooperation, communication, and trust are the most essential factors for having better employer - employee relationship. P Dwarkanath (2012)\(^{81}\) also stated that, employee relationship is mainly based on the mutual trust. So it is essential for employees to see the management as objective, firm, transparent, and fair. These factors will influence the employer - employee relationship better in the organizations. Apart from these, Ratnam, Venkata, CS (2007)\(^{82}\) also mentioned that, trust and transparency, fairness and equity, authority and power, and individualism, integrity and collectivism are the basic factors that result in the sound Industrial Relations. In addition, Mahatma Gandhi also proposed trusteeship approach as a solid principle to deal with the

\(^{80}\) Venkata (1987) “Explain the Evolution of Industrial Relations in India” www.wiki.answers.com
Industrial Relations. **Goyder (1980)**\(^8\) reported that, trusteeship principle expresses the inherent responsibility of employee, employer to its community at a large level. Sound Industrial Relations are really difficult and crucial like the human relations. **Subbarao (2007)**\(^8\) also mentioned that, understanding, goodwill, acceptance, mutual respect and confidence on both the employer and employee in their duties and rights within the organization are the major factors that are needed in an organization where industrial relations makes employer - employee to build a relationship. Thus, from this study, it is clearly inferred that, industrial relation is a sound to deal with the employer - employee relationship.

5.2.4 **Industrial Relations scenario has changed from pre liberalization period to post liberalization period**

When the Managers were asked about whether there is a definite change in the Industrial Relations scenario from pre liberalization period to post liberalization period, majority of the of the Managers who participated in this survey mentioned that, there is a definite change in the Industrial Relations scenario from the pre liberalization period to the post liberalization period. Changes in the Industrial Relations do not simply imply a radical change, but it also emphasizes on the change of emphasis. **Sarosh Kuruvilla and Christopher L. Erickson (2002)**\(^8\) mentioned that, industrial relations change due to shifts in the restrictions facing those systems. For example maintaining labour stability and peace in early stages of industrialization was a challenge which became very flexible in the early 1980s and 1990s. **Erickson and Kuruvilla (1998)**\(^8\) reported that, key features of industrial relations change may

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\(^8\)Kuruvilla, Sarosh, and Christopher Erickson (2002) “Change and Transformation in Asian Industrial Relations” Industrial Relations, **Vol. 41, No. 2**, April 2002
include whether or not the changes accepts the fundamental transformations based on the organization’s structure. When the workers were asked about whether there is a definite change in the Industrial Relations scenario from pre liberalization period to post liberalization period, most of the respondents mentioned that there is a definite change in the industrial relations scenario from the pre liberalization period before 1990, to the post liberalization period after 1990 onwards. Wage determination, collective bargaining and unionism, grievance and dispute management and labor standards and working conditions are also the factors which have influenced the change in the industrial relations scenario from pre liberalization period to post liberalization period. Thus, from this study it is clearly understood that, there is a definite change in the industrial relations scenario from pre liberalization period to post liberalization period.

5.2.5 Industrial Relations has emerged Stronger in the Post Liberalization Period

The next variable discussed by the respondents was about whether the industrial relations have emerged stronger in the post liberalization period. Industrial relations show more attention towards the workers. Absence of social security legislation like medical care, and retirement was left on the employers. Kuruvilla (2002)\textsuperscript{87} mentioned that, industrial relations emerged with several economic policies on the growth and long term development of the organization. Considerably a large number of Managers who participated in this study mentioned that industrial relations have emerged stronger in the post liberalization period. Industrial Relations deal with conflicts and disagreements in several situations. Industrial Relations emerged with principles for creating a good attitude between the Employers and the Workers. Industrial Relations focus on the relationship between the Employers, Managers and Workers and their groups in running an organization. Industrial Relations emerged with several policies and practices in the post liberalization period than in the pre liberalization period. Singh (1968)\textsuperscript{88} mentioned that, industrial relations involves set of functional interdependence involving historical, social, economical, psychological, psychological,

\textsuperscript{87}ibid
technological, demographic, occupational, legal and political variables. From this study, it is clearly inferred that, industrial relations help to develop the attitude of Workers and the Employers which is responsible for the quality of relationship between them. Industrial Relations help to secure the best possible level of mutual understanding and goodwill among the employees at the workplace. Apart from these, majority of the respondents who participated in this study mentioned that industrial relations have emerged better in the post liberalization period. Thus from this study, it is clearly inferred that the industrial relations have emerged better in the post liberalization period.

5.2.6 Human Resource Management is a Sound System to deal with Employer - Employee Relationship

When the Managers were asked about whether the human resource management is a sound system to deal with the employer - employee relationship, most of the of the Managers who participated in this survey mentioned that, human resource management is a sound system to deal with the employer - employee relationship. Human Resource Management is a system that deals with the business and employment issues in a composite manner. Human resource management may have the capacity to influence indirectly towards the nature of the relationships within the organizations. Frenkel and Sanders (2007) mentioned that, employee control systems may have the capacity to reflect on the employer – employee relationships and so positively influenced in the organizational workplace. Employee cooperation is one the most essential factors that are needed in an organization for better employer – employee relationships. Wang, He, & Mahoney (2009) also stated that, the sense of community, employee cooperation, and organization specific human capital investments are the major objectives of human resource management. Lepak and

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Snell (1999) also mentioned that, human resource management supports and reinforce the character of the employer - employee relationship. Thus from this study, it is clearly understood that, HRM is a sound system to deal with the employer employee relationship.

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5.2.7 Human Resource Scenario has changed from Pre Liberalization Period to Post Liberalization Period

The next variable discussed by the respondents was about the definite change in the Human Resource Scenario from pre liberalization period to the post liberalization period. Changes in the organization with respect to human resource scenario may affect several functions such as performance measurement and management, staffing, and training. It is essential to manage and avoid several issues effectively and if they are managed ineffectively, then the change can be disruptive to the functions of organizations and lead to several negative human resource implications like increased staff turnover, lower employee morale and so on. Apart from all these issues, changes take place in all organizations still now and also continuously. In this analysis, when the managers were asked about whether there is a definite change in the Human Resource Scenario from pre liberalization period to post liberalization period, majority of the Managers who participated in this research reported that there is a definite change in the Human Resource Scenario from the pre liberalization period to the post liberalization period. The relationships between the Employees, Workers and Managers have not changed in the post liberalization era, instead the policies and practices of the human resource systems have been changed from the pre liberalization period to the post liberalization period. Apart from these, this study clearly shows that, changes occurred only to the policies, frameworks and procedures of the organization in order to perform well. Olga and Castellano (2011)\textsuperscript{92} also mentioned that, it is essential for an organization to understand about the environment from domestic to international environments. It can be inferred that, there is a definite change in the Human Resource Scenario from the pre liberalization period to the post liberalization period.

5.2.8 Human Resource Management has emerged as stronger in the Post Liberalization Period

When the Managers were asked about whether the human resource management has emerged stronger in the post liberalization period, majority of the Managers who participated in this research stated that human resource management has emerged stronger in the post liberalization period. Liberalization resulted in more competition and also created new opportunities for the organization. Human resource management comes with new policies and practices to make the organization more effective in the era of liberalization. Gabriel and Mohammed (2011)\(^3\) also mentioned that human resource management enhances the organization capabilities with motivation, learning, innovation, and strong relationship with the non-government and government firms increase the competitiveness in the market. Kumar and Singh (2012)\(^4\) stated that, human resource management with their flexibility, dynamism and innovative drive increase the organizations values by penetrating the marketing strategies, improved production methods, management capabilities in order to sustain and strengthen the operations of the organizations. Apart from these, human resource management manages the workplace relations, competitive strategies based on the low wages and low costs, quality of work life and so on. The policies and practice of human resource management bring out new innovations to the organization in the market in the era of post liberalization. Thus it can be clearly understood that, human resource management has emerged stronger in the post liberalization period.

5.2.9 Divergent views of Managers and Workers about Strikes and Lockouts in post liberalization period compared to the Pre Liberalization Period


In this study, in order to identify whether there are more strikes and lockouts in the post liberalization period when compared to the pre liberalization period, the survey found that half of the Managers opined that there are no more strikes and lockouts in the post liberalization period when compared to the pre liberalization period. In the post liberalized era, with the increase in global competition there have been fewer strikes, and lockouts. In this post liberalized era, knowledge economy employees are educated and they do not indulge in any violent activities as in the pre liberalization era. Nowadays, workers are more responsible and are also aware of their duties as well as their rights. This study clearly states that, in the post liberalized era, employees avoid lockouts because it results in heavy losses and impact their jobs. Apart from these, when the respondents were asked about whether there are more strikes in the post liberalization period when compared to the pre liberalization period, majority of the Workers who participated in this research reported that there are more strikes and lockouts in the post liberalization period when compared to the pre liberalization period. Venkataramana and Subhaprada (2011) also mentioned that, interesting trends like man days lost due to the lockouts numbering, strikes and man days lost due to strikes and lockouts in the years 2008 and 2009 have far fetching implications on the IR landscape of the country. Since strikes and lockouts directly affect the Workers and not necessarily all the Managers are equally affected and impacted by strikes and lockouts, we can reasonably assume Workers perception to be more realistic than of Managers. Thus from this study it is clearly understood that, there were more strikes and lockouts in the post liberalization period when compared to the pre liberalization period.

5.2.10 Substantial increase in the Wages of Workers in the Post Liberalization Period as compared to Pre Liberalization Period

When the Managers were asked about whether there has been a substantial increase in the wages of Workers in the post liberalization period as compared to the pre liberalization period, majority of the Managers who participated in this research reported that there has been a substantial increase in the wages of workers in the post liberalization period.

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liberalization period as compared to the pre liberalization period. Wages of Workers is one of the great challenges for the industries in this competitive market. Rajani Pathania (2012)\textsuperscript{96} also reported that, one of the main reasons for industrial disputes during the period 2002 to 2005 has been the demand for higher wages. Manomani (2012)\textsuperscript{97} mentioned that, established step wise regression model links both the wages and productivity. Labour productivity relationship is the variables that provide a positive relationship between the wage rate and labour productivity. Apart from these, a substantial number of the workers who participated in this research stated that there has been a substantial increase in the wages of workers in the post liberalization period as compared to the pre liberalization period. Krishna M & Bino Paul (2013)\textsuperscript{98} stated that, the organization provide wage based on the skills and abilities of the workers which they possess. In this study, the difference in perception of the managers and workers was tested by chi square test for equal proportions by using SPSS. Here, majority of the Manager group and marginally a lesser number of the respondents in the worker group perceived that, there is a substantial increase in the wages of the workers. The Chi square value was 2.5 and its corresponding p value was 0.287 > 0.05. Here, the value of p is more than 0.05, and so this study concludes that there was no significant difference in the perceptions of the Managers and Workers with respect to the contribution of the industrial relations towards the substantial increase in wages in the post liberalization period.

Thus from this study it is clearly inferred that, there has been a substantial increase in the wages of Workers in the post liberalization period as compared to the pre liberalization period.

5.2.11 Significant Changes in the Working Conditions (Hygiene Factors) of Workers in the Post Liberalization Period


When the Managers were asked about whether there has been a significant change in the working conditions (hygiene factors) of the Workers in the post liberalization period, majority of the Managers who participated in this research stated that there has been a significant change in the working conditions (hygiene factors) of the workers in the post liberalization period. Several factors like working conditions with respect to shifts, time, environment, culture are varied from pre liberalization period to the post liberalization period. Rogers et al., (1997) also mentioned that environmental conditions vary from region or country or state or sometimes due to the industrial revolution. Apart from these, several internal and external factors also changed the working environment in the post liberalization period when compared to the pre liberalization period. Experts opine at various forums that, infrastructural conditions in the post liberalization period also grew at a much higher rate when compared to the pre liberalization period. Apart from the internal factors such as economic liberalization, there are also some external factors which may influence the working environment. In addition, when the workers were asked about whether there has been a significant change in the working conditions (hygiene factors) of the workers in the post liberalization period, majority of the Workers reported that there has been a significant change in the working conditions (hygiene factors) of the workers in the post liberalization period. In this study, differing number of the respondents of Manager group and the respondents of the Worker group stated that there has been a significant change in the working conditions (hygiene factors) of the Workers in the post liberalization period.

Thus from this study it is clearly inferred that, there has been a significant change in the working conditions (hygiene factors) of the workers in the post liberalization period.

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5.2.12 Change in nature of the Work emerged as the most cited reason for change in working conditions

The next variable discussed by the respondents was about the changes in the work practices. The trend and objectives towards flexibility in the working environment is not only the reason for the changes in the work practices. Majority of the Managers who participated in this research mentioned that the change has been due to the nature of the work. Changes in the industrial relations bring out various dimensions such as collective bargaining which is mostly decentralized, however, now in the organization where it does not face various pressures to follow decentralization, some organizations are cutting employment in order to cope with the foreign and domestic competition. There is shortage of skilled labor and Managers, skill development and training is also receiving more attention, and human resource management acts as a key component of the business strategy. In addition, HR policies and forms which are emerging may include multi-skills, job rotation, variable compensation, etc and so new policies are difficult to implement in the place of old policies and so changes are needed. Apart from these, majority of the respondents of the Worker group who participated in this research stated that the change in the work nature is better in the post liberalization period. With the development of global organizations, changes occurring in the industrialization continuously impacts on the new management systems. Thus from this study, it is clearly understood that, change has been due to the nature of the work.

5.2.13 No Change in the Productivity of Workers in the Pre and Post Liberalization Period

When the Managers were asked about the change in the productivity of workers in the pre and post liberalization period, half of the Managers who participated in this research stated that, there has been a change in the productivity of Workers in the pre and post liberalization period. The relationship between the changes in the manufacturing productivity and changes in trade policies describes about the change in the pre and post liberalization period. Productivity is the key for profitability and so it is essential for employment and for social and economic development. It needs
sound IR and also it does not depend on any efforts of an individual alone. It is essential to encourage an effective use of technology, flexible labour market to obtain high productivity growth. Apart from these, when the Workers were asked about the change in the productivity of workers in the pre and post liberalization period, most of the respondents stated that there has been no change in the productivity of workers in the pre and post liberalization period.

In this study near half of the Managers group and majority of the Workers group perceived that there has been no change in the productivity of workers in the pre and post liberalization period. From this study, it is clearly inferred that, there has been no change in the productivity of workers in the pre and post liberalization period.

5.2.14 The Change in Productivity has been due to the work nature in the Post Liberalization Period

The next variable discussed by the respondents was about the change in the productivity due to the work nature in the post liberalization period. Majority of the respondents of the Managers expressed that the change in productivity due to the work nature was better in the post liberalization period. Kishor Sharma (2000) mentioned that, improvements in competitiveness and increased manufacturing capacity leads to the improvement in productivity growth measured from -1.13% per annum in the era of pre-liberalization to 6.21% per annum in the era of post liberalization. This study clearly states that, changes also occur to the productivity and it is a common nature. Employees and their morale plays a major change in the productivity. Generally, workers discipline and their attitude results in higher productivity and Industrial growth. Nishimizu and Robinson (1984) stated that, productivity growth is treated as a separate factor while estimating the overall productivity growth in the pre liberalization and the post liberalization period. Apart

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100 Sharma, Kishor (2000) "Liberalization And Structural Change: Evidence From Nepalese Manufacturing" Economic Growth Center, Yale University, Australia.

from these, majority of the respondents from Workers group stated that the change in productivity has been due to the change in the nature of work in the post liberalization period. In the post liberalization period, the productivity growths in the organizations are improved substantially and this is due to the increased access to the better technologies and greater external competition. Thus from this study, it is clearly understood that, changes in the productivity, as perceived by Managers group, has been due to the nature of work in the post liberalization period.

5.2.15 Better technology cited as most important factor responsible for better productivity of workers in the Post Liberalization Period

The next variable discussed by the respondents was about the factor which is responsible for better productivity of Workers in the post liberalization era. There are several factors that influence better productivity of workers in the post liberalization era such as better / higher wages, involvement / representation of workers in work planning, sharing of growth plans, weaker trade unions, long term wage settlements, stricter disciplinary procedure, better people development initiatives, better job security, better technology, and better training, and also more competitive market forces. When the Managers were asked about the factor which is responsible for better productivity of Workers in the post liberalization era, majority of the respondents of the Managers participated in this research mentioned that better technology is the factor which is mainly responsible for better productivity of workers in the post liberalization era. Kumar and Singh R (2012)\textsuperscript{102} mentioned that, the foreign and domestic markets have become much more competitive and has improved a lot due to the process of globalization and liberalization. In this modern business scenario, technology is the one which makes the organizations more competitive. There is a huge need for an organization to update their technology based on the market Kumar and Singh,( 2012)\textsuperscript{103}.


Apart from these, **Kishor Sharma (2000)** also mentioned that, better productivity can be achieved by the increased access to the better technologies. Thus from this study, it is clearly understood that, several factors may influence better productivity of workers in the post liberalization era but better technology is the main factor which is responsible for better productivity of workers in the post liberalization era.

### 5.2.16 Contribution of major sub systems of IR towards substantial increase in wages in the Post Liberalization Period

The hypothesis testing was done to the perception of Managers and Workers regarding the Industrial Relations. The difference in the perception of Managers and Workers was tested by using the chi square test for equal proportions. Initially, it was tested whether there has been any difference between the perception of Managers and Workers regarding the contribution of Industrial Relations towards a substantial increase in wages in the post liberalization period. For that, majority of Managers and a little lesser numbers of Workers accepted that there has been a substantial increase in the wages of workers in the post liberalization period when compared to the pre liberalization period. Almost similar number of Managers and Workers did not accept that there has been a substantial increase in the wages of workers in the post liberalization period when compared to the pre liberalization period. Almost in similar proportions both Managers and Workers said that they don’t know whether there has been a substantial increase in the wages of workers in the post liberalization period when compared to the pre liberalization period. This concludes that majority number of respondents (both Managers and Workers) opined that there has been a substantial increase in the wages of workers in the post liberalization period when compared to the pre liberalization period. It is said by **Singh (2009)** that so long as income remains the all - important means for satisfying human wants and needs, wages would be a major consideration in the industrial unrest. Failure to upgrade workers skills in a globally integrated economy will make it more difficult for un-skilled and low-skilled

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workers to demand higher wages. This situation in turn, may worsen the labor unrest. As the economy globalizes, it would be difficult to increase the wages for un-skilled or low-skilled workers. Companies need to continue to improve training programs to meet the critical skills needed in a globalizing economy. Improving workers skills will effectively solve workers unrest; it will result in higher wages and, better quality of lives of the people. The chi square value was found to be 2.5 and its corresponding p value was 0.287 > 0.05. It is since the p value is more than 0.05, it could be concluded that there was no significant difference in the perceptions of the managers and workers regarding the contribution of IR towards a substantial increase in wages in the post liberalization period.

5.2.17 Contribution of major sub systems of IR towards significant changes in the working conditions in the Post Liberalization Period

The difference in the perception of the Managers and Workers regarding the contribution of IR towards significant changes in the working conditions in the post liberalization period was tested with the chi square test for equal proportions which was applied by using SPSS. It is said by Richardson (1959) \(^{106}\) that there exists problems of relations in industries in the past and continue to exist in every economic system. Also it is said that discontent is a pre - condition for progress while unrest needs to be tackled rather than suppressed. In this context the behavior, values and underlying assumptions become important in the industrial relations process. Good Industrial Relations will always aim to secure the best possible level of mutual understanding and goodwill. The process is also participative in nature. The concern for fair dealing and good working conditions should always prevail. It is observed that majority of Managers and a much higher number of Workers accepted that there has been a significant change in the working conditions in the post liberalization period. A small group of Managers and much smaller group of workers said that there is no significant change in the working conditions during the post liberalization period. A low number of Managers and Workers said that they don’t know regarding the significant change in the working conditions during the post liberalization period. The

chi square value was found to be 9.671 and its corresponding p value is 0.008 < 0.05. It is since the p value is less than 0.05, it could be concluded that there is a significant difference between the perception of the Managers and Workers regarding the contribution of IR towards significant changes in the working conditions in the post liberalization period.

5.2.18 Contribution of major sub systems of IR towards significant changes in the productivity of workers in the Post Liberalization Period

The difference in the perception of the Managers and Workers regarding the contribution of IR towards significant changes in the productivity of workers in the post liberalization period was tested with the chi square test for equal proportions which was applied by using SPSS. It is observed that about half of Managers group and majority of Workers group accepted that there has been no change in the productivity of workers in the pre and post liberalization period. About one third of Managers group and about one fourth of Workers group did not accept that there has been no change in the productivity of Workers in the pre and post liberalization period. Very few Managers and further lesser Workers said that they don’t know that there has been any change in the productivity of workers in the pre and post liberalization period. The chi square value was found to be 10.761 and its corresponding p value is 0.005 < 0.05. It is since the p value is less than 0.05, it could be concluded that there is a significant difference between the perception of the managers and workers regarding the contribution of IR towards significant changes in the productivity of workers in the post liberalization period.

5.2.19 IR as a Non conflicting function

The Managers were asked about whether the industrial relations remain as a non-conflicting function with other management function in the tyre industry’s post liberalization period. In this study in order to find out the result, one sample t test was applied by using SPSS. The mean difference between the managers was less than (2.73) with the cut off value 3. The t test statistic was -3.151 and the value of p is 0.002 < 0.05. Here the value of p is less than 0.05 and also the mean value is less than the cut off value 3. This study concludes that, the Manager’s statement was negative
in non conflicting function with any other management function in the tyre industry’s post liberalization period.

The Workers were asked about whether the industrial relations remain as a non-conflicting function with other management function in the tyre industry’s post liberalization period. In the analysis, the response of Workers was less than (2.80) with the cut off value 3. The t test statistic was - 2.066 and the value of p is 0.041 < 0.05. Here the value of p is less than 0.05 and also the mean value is less than the cut off value 3. This study also concludes that, Workers’ statement was negative in non conflicting function with any other management function in the tyre industry’s post liberalization period.

5.2.20 Industrial Relations initiatives for industrial harmony and people development

The Managers and Workers were asked about the difference between the perception of Managers and Workers about the Industrial Relations initiatives for industrial harmony and people development in the tyre industry post liberalization period and the results was analyzed by the independent sample t test and was applied by using SPSS. The t test value between the Managers of Manager group and Workers of Workers group was 19.543 and the value of p is 0.000 < 0.05. Here, the value of p is less than 0.05 and so the study concludes that, there is a significant difference between the perception of Managers and Workers about the Industrial Relations initiatives for industrial harmony and people development in the tyre industry’s post liberalization period.

5.3 Summary Conclusions

Based on the data analysis, findings and discussions following summary conclusions can be arrived at:

5.3.1 Industrial Relations and Human Resource Management – Post Liberalization

The scars of pre-liberalization industrial relations scenario were so profound, that all the actors, the Industry, Workers and the Government, were determined to review the
systems with fresh perspectives. The world economy was in transition and to move along with it Indian Industry required a forceful change mechanism followed by its effective implementation and sustained adherence. One of the major issues was Industrial Relations (IR). From a militant, violent and non-appreciative scenario there was an urgent need to restore industrial peace, harmony and productivity. Further, the workers and managements required a drastic re-orientation of their mindsets. Workers needed to appreciate the demands for higher productivity with disciplined working. The managements needed to ensure a new strategy to educate the workers of the new business demands for profitable survival arising out of liberalization and consequent global competition. This resulted in formulation of a composite approach to deal with the workers and their mindsets.

New learnings through a developmental and reformative approach were found to be a way out against a combative approach as witnesses during the pre-liberalization period. Large industry set up a new section within the existing Personnel & Administration or Commercial Departments to deal with workers based on a developmental approach. Training Modules were conceptualized and implemented on subjects like, safety, first aid, fire safety, dealing with absenteeism, product and process improvement and specific counseling on the benefits of being continually employed in a gainful job in a peaceful and congenial work environment.

Such initiatives resulted in the re-naming of the Department as Human Resource Management, indicating acceptance of humans in an organization as assets rather than liabilities as considered during the past decades. Even the small and medium industry sectors realized the need for education and training and considered workers education as a contributory factor to industrial peace and productivity. However, the rechristening of the Department could not fully absorb the demands of the prevailing IR mechanism. The workers participated in the training programme and other newly instituted welfare initiatives but in many ways they could not give away their attitudinal issues. The trust deficit continues even today.

The new developmental initiatives failed to create the impact as intended. In a way they were baby steps to deal with an age old philosophy which needed long term interventions based on genuine collaborative intentions. Even today the success is partial. The fundamental basis for harmonious employee relations is mutual trust
between employer-employee. A robust relationship is built when policies and practices are seen as fair, equitable, transparent and objective. This combination of primary HRM initiatives and ever present issues of wages, productivity, trust, fair treatment, discipline and contrary business priorities have in no manner reduced the importance and need for solid IR mechanism. The recent incidents in India, in past about 4 years are a testimony that HRM interventions, in so far they relate to workers, have failed to create the impact for which they were designed. Apparently Company Policies highlight a gross indulgence in the good of the workers but the significance and relevance of strong and successful industrial policy still remains elusive in majority of the industrial establishments. Humans are endowed with the gift of judging the relationship quality and strength. The need to stay connected with people, conversing and debating regularly will always help deal with emerging areas of strains early and not wait for a showdown scenario.

Tyre Industry in India has a strong history spanning over 65 years. It has grown at a steadfast pace with the growth of the automobile sector in India, at the same time it has witnessed industrial turmoil of the same intensity. Technological upgradations from time to time have still not reduced the dependence on physical workforce. To a large extent it still remains a labour intensive industry. All major companies covered in this study have had turbulent times on the industrial relations front. The issues still remain and the industrial relations mechanism is active as ever. However, with the advent and introduction of the Human Resource Management function about 30 years back in India; the Tyre Industry looked upon it as a new tool to deal with the industrial relations issues across the country. Despite the experience of a different nature in the previous years, the Industry was quick to introduce workers training as a means to express their desire in the development of workers as also organize job and basic behavioural training under the umbrella of the Personnel & Administration Department in some companies under the Time Office. This process of training has developed over the years and in most of the companies there exists a HR Department. In most of the companies it is an independent department or a part of a department which has been in existence since long. However, the IR function has retained its importance as before. Despite the emergence of the HRM concept and practices, the IR function has been kept independent though in most of the companies the Head of the HR even heads IR function.
The findings testify that IR still retains its significance and is no position to be ignored for the gracious inroads of the HRM tools in labour management arena. HRM initiatives need long term interventions and require patience and belief. Industrial Relations need immediate answers. The holistic people development approach of HRM is an interesting and absorbing philosophy strongly moving ahead with empirical evidence. At the same time the aspirational levels of the workers have also reached impractical proportions causing managements to continue practice quickfix solutions for their operations to run uninterrupted. HRM is yet to attain the strength which provides solutions to workers issues to their satisfaction. Both functions have still to traverse a common path of people management for successful and profitable business.

5.3.2 Subsystems of IR

Despite vast research, theories and practices in the realm of Human Behaviour, it is still difficult, in multiple situations to predict behavioural outcomes. To minimize the unpredictable aspect various sub systems are woven around the management of industrial relations.

Considering the importance of stable relationships, between the workers and the management, the Government has also incorporated bipartite and tripartite forums under the various labour laws. Grievance Handling and Discipline have been vastly dealt in the Industrial Disputes Act, 1947. The provisions of the Act are indicative of the significance of the sub-systems in managing industrial relations. They define the system to deal with all workers issues from germination of a dispute to industrial adjudication.

Grievance Handling is the first stage of dispute settling process which involves the aggrieved workers and the supervisory staff. It provides a fair opportunity to both workers and management to settle their differences and associated issues, at various levels of disagreements until it is referred for Government monitored and conducted conciliation settlement machinery under the Industrial Disputes Act, 1947.

Till the issues remain minor and individual in nature the Grievance Handling System can very well address and settle them. At a secondary level, when issues are multiple
and complex in nature concerning a larger work force, the process of Collective Bargaining takes over because by this time the management would have also have its own standpoint in the debated matters.

There has been a mixed response to the Grievance Handling System in dealing with industrial relations and settling the issues at the first stage itself. Typical shop floor issues relating to attendance, leave, statutory benefits, uniforms, welfare, safety, working conditions, wage payment, work instructions and similar issues have been successfully addressed till such time they have been related to an individual workman or a small group of workers. Many industrial establishments have gone a step ahead and improved upon the Grievance Handling System much beyond the statutory provisions. They have enlarged the scope of subjects to be covered, genuinely provided a fair opportunity to the workers to present their case as also appeal against decisions to the highest level of management.

However, there is no significant credence to the system yet, in ensuring that issues addressed have been fully settled and not escalated to the Collective Bargaining stage. Workers have time and again indicated that the Grievance Handling System is appropriate for individual issues of a routine nature. Issues concerning a large group and connected with the overall employment conditions cannot be settled within the scope of Grievance Handling Systems guidelines. In many cases settlement of individual grievances have not been taken positively by the larger group of workers and the settled issues have often converted into a major point of discord after a short period.

Disagreements arising out of this process have resulted into indiscipline with consequent initiation of disciplinary action. Workers do not respond to any counseling in most of the cases, refuse to accept general notices, written communication- show cause, charge sheet and any other communication from the management and resort to path of confrontation to challenge any management action. On the other side the management gets stricter at each stage with a view to abort emergence of new issues which may engulf the entire organization impacting business prospects. It wants to send a strong signal to workers on issues of discipline. By each action by either side the situation gets murkier, and moves to a confronting stage, which consequently converts into an industrial dispute and the Collective Bargaining Process takes it over.
Collective Bargaining is one of the most important tools to regulate industrial relations system and settle issues of any magnitude. It is a long process but has a significant success rate. It is a platform which allows both management and workers decide jointly the rules for the process and the consequences in case of failure of the process.

In the post liberalization period greater emphasis is being placed on the entire gamut of employee relations. Many professionally managed companies and those in the organized sector have implemented strong governance structures and have ensured that industrial relations policies and practices are equitable, fair and thereby making the Collective Bargaining Process redundant. Some industry sectors have been very successful in implementing technological and work process changes smoothly with the active support of the workers elicited through the Collective Bargaining Process. This has secured long term harmonious industrial relations for them.

There is another school of thought which feels that Collective Bargaining is an old and undefined process which stretches the disputes too far and for too long, with no assurance for an amicable settlement. On many occasions wage settlements arising out of the system have failed on compliance issues by both the workers and the management. Workers believe a quick fix solution can be attained either through supportive company policies or by direct action. They pressurize the managements’ for quicker resolution of disputes by adopting a militant and aggressive stance, giving lesser time to for settling the dispute which has to be acceptable to them.

Industrial Relations are impacted by multiple factors and circumstances. It is difficult to single out one or more factors contributory to the building up of a scenario both positive or negative. From hiring stage, to best performance expectancy stage and extension of entitled benefits, workers pass through several tests of behavioural endurance. To whom and how to voice a dissatisfaction defines the strength of the work culture. Before the workman approaches the defined Grievance Handling System(GHS) it is expected that he would have definitely sought the advice and perception of his colleagues on their experience in a similar situation. At this very stage it is evident it could be seeding of a future dispute or settlement of an issue amicably at the initiation stage itself. It has been well established that unsettled grievances at the supervisory level snowball and escalate to larger and complex
issues. It is the training and empowerment of this group of the operations staff which defines the way the company treats its workers. It is his attitude and understanding of the subject which will generate the desired faith in the fairness and truthfulness of the management while it deals with its workers problems and concerns. The success or failure of the GHS would be decided at this level. The present study establishes that both the Managers and Workers have still faith in the GHS, in fact the faith is more profound in cases of Workers. The Managers also believe in the effectiveness of the system, however, issues of supervisory empowerment and clarity in management policies remain contributory factors in the success of the system.

Leaving apart the recent incidents, the GHS has been fairly effective in the industry. Almost all large tyre companies have a defined GHS and issues are resolved until they remain non-motivated from either side. The system is still appreciated by the workers and they generally look for a resolution. However, many a time managerial strategies are a strong reason for escalating the issue. There are issues of flexibility, control over work processes, re-allocation and multi-tasking.

In the post liberalization period, generally, discipline and behavior of the workers has been positive. It is a two way communication process between the management and the workers. If an open and sharing relationship exists there is bound to be mutual appreciation. If there is a hidden agenda and a motive to trick, there is bound to be a confrontation and a show down. How the workers react in such a situation is more often guided by how the management salvages the situation. Aggressive and non-committal approach by the management will only result into retaliation by the workers and consequently raise disciplinary issues. Such incidents on a repeated basis would adversely affect the work environment. The study finds that there is still a divided perception on the strength of existing discipline handling systems. Less than half the population believe that they are effective which calls for the further initiatives to secure the confidence and faith of the larger population.

This study firmly establishes that Collective Bargaining (CB) is one of the most solid processes to settle any worker issues. It still is simple, easy and based on the principles of trusteeship. Both the workers and the management have to trust each other because both have equal stakes in running the organization profitably. Mistrust breeds contempt and contempt creates hatred and this fails the CB right on the first
day. At the same time CB has been time tested for securing long term industrial peace and goodwill. It has settled vexed issues of wages, work methods, productivity, new technology absorption and other employment conditions. It is a faith restoration mechanism and has the power to bring disputing parties to an amicable solution retaining respect and dignity of both the parties. It is a validated tool and as per the present study still enjoys the confidence of all the actors.

Rigid and hardened stand points sometimes de-stabilize the importance of the process and result into direct action which disregards the feelings of co-operation and collaboration, the basic essence of the process. The study finds that the perception on the slowness of the system is yet at a stage of indecision. The Labour Agreements of all large Tyre companies for over 5 decades are a testimony to the success of this process which at times would have been facilitated by the conciliatory machinery too. Very few disputes have been settled through adjudication.

The current trend is towards bringing out a superior, competitive and best in the market product by all tyre majors. The international brands are also making inroads in the market by setting up their own manufacturing bases in India boasting availability of international quality products. This has necessitated management of good industrial relations by all Indian companies. If they have to succeed and compete they have to strengthen all the sub systems of industrial relations in their units. This study finds that the workers are yet not fully satisfied with the current IR sub systems as they are practiced in the Industry though they hold the belief that they are all relevant and important for their good.

5.3.3 Integration of IR and HR for Industrial Harmony

Growth and Development are complimentary processes and can be ushered in any organization with the adoption of right management policies at appropriate stages of business management and expansion. There is always a need for Industry to plan their technical, commercial, marketing and human resources policies with a long term perspective keeping the vision of the Company as a guiding post. Unless there is a vision, there are bound to be adhoc decisions for each function which may give short term results. This may not strengthen any of the functions to deal with unexpected business demands and other challenges arising out of the industrial environment.
Industrial peace and an encouraging people policy framework is a sure route to success which assures ownership of each employee action. Competitive business working does not arise with coercion and regressive policies and systems. People have to have a sense of contribution towards the good or bad working of the organization. Management action expressive of confidence, faith, trust and belief in the strength of the workers creates a motivating work environment which subsequently converts into productive, disciplined and highly responsible work force. The feeling of being considered as a value adding factor in the growth and success of the organization results into commitment and assurance of a different kind. It creates passion for exemplary work.

Management intentions have to be clear and clean as may be expressed through its various policies, practices and action. Workers have the ability to judge the genuineness of each action. It has to be a mutually beneficial process which brings equitable cheer to both the parties. How do we expect that workers will respond in such a positive manner? They will, provided the management is truly interested in their well being expressed through the initiation and implementation of a collaborative work culture which is strongly supported by multiple education and developmental programme conducted on a regular basis. This will build worker’s confidence and dispel, permanently, their job security concerns. It takes no time to be feudalistic in approach but it takes a long time to win over the workers confidence.

One of the biggest fallout of the post liberalization period has been the mad rush for higher productivity, robotic discipline demands and the unpredictable behavior of the managements. This has resulted into a disconnect with the HR professional at the workplace who have the responsibility to steer the change in the industrial work culture in this period of liberalization, globalization and competition. The quality of relationship at times goes for a toss. There has been an obsession with performance management which has flowed down to the workers level in the most crudest and critical forms. The recent Industrial unrest at Maruti Manesar is a ready example of this excessive obsession with productivity, though there were other issues also. Goals and metrics cannot replace human process of working. There remains a need to suggest a way to achieve them. A clinical mindset over emphasizes the impersonal aspect of employee performance. This erodes the human emotions, promotes fear of
failure and creates anxiety followed by a confronting situation. The management approach will always be a questioning subject. Care is not in words but in deeds. It is where care is, discipline and toughness can be.

In most cases the managements fail to discover the workers in their organization and their dignity. There is an issue of change in mindset and approaches to workers employment conditions and their administration. Composite, structured and long term plans need to address the issues of workers development. The coaching and mentoring process has to be initiated from the first line of supervision to the Unit Head level. Apart from work methods and safety related inputs there is an immense need for sharing and caring in different ways. Training on attitudinal modulation has to be focused considering that in contemporary times of mass awareness a different content, has to be designed without ignoring real time information about the company's performance, challenges, growth plans and the role envisioned for the workers. Their role is critical for adoption and implementation of best manufacturing practices. The results will come in a gradual manner and not overnight. It has to be a process of hand holding, trust marked with a feeling of undertaking a journey for the prosperity of all involved. Workers have a tendency to get diverted and loose attention with the slightest provocation which may be direct or indirect. The ability of the management depends on to not to create any diversions or distractions by any of their decisions and policies which may end up into being a limiting factor instead of a facilitating factor.

Industrial harmony is essential for the society also. The social needs and expectations impact workers behavior at workplace. They have aspirations for self and their families. They look at the organization as an institution which will make their dreams come true. This belief should never break. If this is shaken, the workers become one of the most vulnerable members of the society and their anger and actions become uncontrollable and at times illogical. They are a resource and deserve a sensitive treatment for a stable and predictive behavior. This would harmonize the work environment and allow seamless operations for a profitable business.

 Suspicion still prevails over management’s genuine intentions. There is always a fear of trust deficit. In the post liberalization period, job security has emerged as a major concern of the workers. In the guise of productivity, discipline and global competitive standards, managements sometimes enforce their vested agenda. Such a gap
contradicts the theme of industrial harmony and people development. Disagreements become issue of “principles”, and “personality”. However, the benefits of information age make the workers more knowledgeable about company’s performance, profits and the future. This makes them more logical in their understanding of the business and the role they need to play to secure their well being and growth.

The findings of the study must act as an eye opener to the tyre industry. The signals are fairly clear and need a serious introspection. The perception of Managers and Workers on four determinants of HR-IR integration for industrial harmony and people development point towards a gradual warming up of the working environment in the industry punctuated by Workers feeling insecure, dissatisfied and doubtful of the intentions of management regarding their welfare and financial growth. They also have a feeling of being left neglected about their role in company’s growth plans and addressing other industry challenges. On all the four determinants about half of the workers expressed negative feelings. It is also a grave concern that about 20-25% workers are presently neutral but may tip on any side in future based on self or collective experiences or any other kind of provocations. The side that they choose to tip on will determine whether the results of this study are a peak of dissatisfaction or a point in rising curve. The fact that makes the situation more worrisome is the colored, moderated and modulated lens with which the Managers are viewing the situation. The findings indicate that the Managers are not so aware, connected and sure of the management strategies in so far they relate to the Workers. They are an important link for successfully implementing any people related processes. Such a disconnect may not yield the desired results in a fixed time frame.

The vast difference between perception of Workers and that of Managers about the perception of Workers may result in a surprise blow to management in near future and consequently upset operations. The need of the hour is to do a detailed analysis of the situation as it prevails and introduce corrective plans at the earliest. For both the actions a well researched, good-intentioned and feasible action plan will have to put in place with the active involvement of both the Managers and the Workers. This will freeze the mistrust before it gains larger proportions.

A major indicator of the study is the disposition of the Managers in the realm of industrial relations at the workplace. The response could have been much resounding
and fuller in all the variables. This factor also raises the question of their learning and development quotient and their understanding, appreciation and alignment with the management policies and practices. There is a gap which exists and needs to be addressed by the management in an emphatic manner.

New knowledge assimilation and usage can only happen with a positive mindset. It is difficult to pursue the agenda of development in a doubtful environment. The Workers must be high on loyalty then only the gains of a developmental process will be visible, simultaneously it will also validate if the management gauged their needs correctly.

Marrying the strengths of both HR and IR (like vastness of scope of HR and the pin pointed focus of IR), the HR-IR integration, if conceptualized and implemented with a dedicated approach can substantially contribute to Industrial Harmony and People Development in the tyre industry.

5.4 Suggestions and Recommendations

Based on the data analysis, findings, discussions and conclusions the following recommendations are suggested.

5.4.1 Industrial Relations (IR) and Human Resource Management (HRM)

As per the objectives of this study it was decided to examine and investigate the interplay between the IR and the HRM in the industry. It was during the 1980s and 1990s that various concepts of HRM were introduced across sectors of the Indian Industry very vigorously as a modern and contemporary methodology to deal with human resources to address to the emerging demands due to liberalization and globalization. At the same time progressive HR Professionals were willing to experiment with this new philosophy to deal with IR.

The study finds that there has been a tectonic relationship between IR and HRM as perceived by the managers. Though they accepted the emergence of HRM, they did not rule out the effectiveness of IR fully in the post liberalization period. They still find IR as a deep rooted system which cannot be overcome by the introduction of the HRM function. HRM as a more inclusive and vigorously pursued system is yet to
attain the maturity levels which can initiate the merger of the two diverse functions. This undoubtedly calls for a stronger acceptance of HRM as a solution provider to employee issues rather than a high sounding theoretical preacher. Factually, as per the study it can be concluded that the two functions are yet to even reach a partnership level to design, plan and execute a long term and realistic agenda for the good of the employees and the industry.

It is recommended that a “Vision 2020” can be framed in the tyre industry to study the unification of the two systems along with their sub systems which would build up organizations of the future, capable of handling Diversity Management arising out socio-politico and economic factors as may prevail during those times. Managements will have to create an understanding without being judgmental based on old beliefs. The need is to first understand then seek to be understood.

It is interesting to note that the workers are still in a state of confusion when it comes to relating to HRM. Though they have acknowledged the presence of HRM in their work life they continue to have faith in the IR System. Since HRM is in a transitory phase workers consider it as a new system yet to gain their confidence. The fallout of this state of flux is that workers are losing faith in management’s willingness to address the industrial relations issues. This for sure keeps their faith alive in the IR Systems and they feel that IR and HRM were separate functions in the pre liberalization period and will remain same. This could be a gentle warning to the HRM function to remodel itself to earn the trust, faith and the respect of the workers. The managements should realize that the results of uncontrolled and unregulated globalization can cause precarisation and dualisation of the workforce. It is not the conflict which is bad, it is the manner in which it is dealt.

It is recommended that the industry should constantly endeavour to establish linkages between work processes and establishment of enduring relationship between the workers and management. It seems that the present race is leading towards creating a process driven work culture fully ignoring the strength relationships offer to manage a successful business venture. HRM policies should be customized to harness diverse talent seeking to initiate a new psychological contract between the management and the workers.
To further probe the presence of HRM on the IR canvas, the researcher elicited the views of managers and workers to understand if a single (window) Department is available to them to deal with their total issues related to employment. Confirming the transformation phase phenomenon, both found that there exist separate departments to deal with managers and workers issues. The workers are keen to continue with a separate department. The finding mandates a huge organizational restructuring exercise in the Industry. There is a very visible disinterest amongst IR and HR Managers to work under a common functional entity, both want to stick to their guarding posts to safeguard their personal interests and equations. This lack of mutual functional appreciation has been well understood by the workers and they wish to continue affiliation with the existing IR Managers. They do not yet trust the HR Managers whereas HRM has to be the mouthpiece of any vibrant organization. Lasting employer-employee relationships are based on reciprocal values.

Our present day management education severely lacks appreciation for IR. The most sought after post graduation degree worldwide, the Masters of Business Administration produces MBAs in HR; not in IR. The course content and teaching methodologies are more tuned towards HRM concepts and principles. The students develop an instance disregard for IR. Whatever little is covered under the IR umbrella are couple of labour laws and social security schemes which itself are too old and complicated to understand. All the MBAs want to deal with the softer side of HRM and are scary of IR with stories of indiscipline, unrest and violence. With this they miss on the basic dynamics of human behavior at work and subsequently lack appreciation for employee needs, can such a breed take on the merger of IR and HRM? It is recommended that a comprehensive study should be undertaken in a simplistic and feasible manner to redesign the course content of MBA-HR which should compulsorily prescribe industrial relations management internship for a minimum period of 3 months to be a part of a “Live” IR issue. Secondly, more females should be deployed at the factory level in the HR/IR Department in the tyre industry, this will help transform the face of IR and HRM at the manufacturing level, it will also help integrate IR and HR into one entity the HRM Department.

To further rigorously probe the emergence and acceptance of HRM as an encompassing function the study dealt with confirming if managers and workers felt...
that IR is a sub system of HRM. The workers following a certain pattern of denial concluded that IR is still not a sub system of HRM, it is independent of it. The managers with their training and development knowledge found that HRM is in the process of taking over IR as one of its sub systems. The finding puts yet another pressure point on HRM function to create that degree of goodwill and aura around it so that it can take over the century old IR systems.

Establishing the supremacy of the IR function the study reiterates that IR and HRM have remained separate functions in the pre liberalization period and the winds of change in the post liberalization have not deterred its foundations and thus they continue to remain separate functions. The foregoing findings also support the independent status of IR.

It is proposed that the tyre industry should draw out plans to take away the adversarial elements from IR with the help of HRM concepts and practices. It is a culture and value building exercise and should be taken up in right perspective. It is going to be long drawn process and needs a patient treatment.

Thus it can be safely hypothesized for future that

“The faster organizations consolidate their efforts with consciously crafted leadership styles, well strategized innovations and restructured systems, more welcome will be the conjugation of IR and HR by its actors.”

5.4.2 Sub Systems of Industrial Relations

Industrial Relations Systems and Processes have evolved over the years in a very distinct manner. The function is highly action oriented and centers around discussions, dialogue and actions amongst/ by the actors. There are no fixed theories and concepts which can be applied universally in identical situations. The entire system is regulated by labour laws and the Government Labour Departments which have played a very mixed and at times a controversial role in establishing the credibility, effectiveness and acceptance of the solutions arising out of the regulated mechanism. Due to the existence of a plethora of labour laws there has been regular filing up of innumerable disputes across the country and industrial sectors arising out of the interpretations of these laws. Judicial activism has added more complexities to
IR mechanism which has thus become more legalistic in nature leaving negligible scope for a humanistic approach to resolve the issues.

Since the objectives of this study were based on the IR- HRM interface, there was a deliberate attempt to study those sub systems of IR which have a behavioural application attached to it. The study confirms that Collective Bargaining, Grievance Handling and Discipline are very strong sub systems of IR mechanism and act as the founding pillars of industrial peace and harmony. The study further establishes that CB is still a system which can deliver results by settling disputes. Simultaneously it has also proved to be a successful forum to deal with the demands of technological upgradations to make manufacturing more modern and competitive. However, the success rate of CB has to be more resounding to gain complete endorsement by the actors. In the post liberalized period CB is yet to attain the status of a developmental forum which promotes dialogue and discussions resulting into growth of the enterprise and consequently its employees. CB should be promoted to achieve a win-win situation for all the stakeholders of IR. Happy wage settlements arise during the process of CB. It is a process which needs patience and tolerance of both the management and the workers to achieve mutually gainful results. It is not a slow process until it is used a tactical platform to divert and delay issues of disagreements.

Grievance Handling System (GHS) continues to patronize industrial democracy. Day to day and routine shop floor issues make workers look upon this semi regulated system. It is the faith and belief in this simple system which still comforts the shop floor workers. It is a system which values an individual and offers him quick relief by resolving his queries and anxieties.

Discipline Handling System remains strong and continues to safeguard against any undesired behavior and acts. It essentially develops and implements highest norms of efficiency with a willing attitude to excel in work. A disciplined work environment creates a superior level of relationships which have a profound impact on operational benchmarks and costs. An impactful disciplinary system is based on the principles of reformative approach. Rigorous and ‘robotic adherence’ to disciplinary norms lead to unrest and industrial disputes.
HRM has been unsuccessfully trying since long to include the Grievance Handling System fully into its fold. Considering the principles of HRM, good IR is its responsibility. It is recommended that managements should delink GHS from the IR platform and accord it a permanent status as an HR tool. This would result into the spread of the system which will subsequently include counseling, mentoring, coaching as its proactive tools. To further strengthen the GHS, supervisory level staff will have to be empowered with the support of specific training, to take shop floor related decisions soonest.

It is recommended to consider CB as a human right based on the new generation social order. It should be considered as a peace treaty with no party resorting to direct action against each other unless the CB process is declared as a failure.

Thus it can be recommended that:

“More intentionally the competencies related to IR subsystems are nurtured and included in employee workplace value system, better would be the organization competitiveness”

5.4.3 IR –HR Integration for Industrial Harmony

IR is prescriptive in nature, and consequently thrives on divide between prescribed and prescribers. HRM on the other hand tries to bridge the divide by promoting common and universal norms for all. Interestingly the promoters of HRM philosophy although aware, ignore the fact that organizations cannot survive in isolation and need to be a part of society and contemporary times. Thus the utopian “ought to be” garb of organization as per standards of HRM does not always go well with the “has been patriarchal” attitudes of workforce forming the organization.

The roles and profiles of Workers and Managers are different and the same presumptions cannot apply to both. The present research points towards significant differences between perceptions of managers and workers on issues like sincerity of intention of management towards workers welfare and growth and sharing of company’s growth plans and challenges. As common sense would propose managers viewed their actions more positively compared to workers at the receiving end. Similarly there was perceptible gap between level of security and satisfaction
perceived by the Workers and that of Managers perceptions about what workers feel. One observation of convergence was that both Managers and workers felt that management resorts to pressure tactics through tight discipline and supervisory control in the post liberalization period but in case of disagreements between Management and Workers no party resorts to direct action.

A very high degree of faith was reflected in the study by the workers about worker and Management issues/problems, like medical Facility in case of an accident, Canteen facilities, drinking water, rest rooms, uniform and transport being jointly discussed. Thus it can be concluded that mutual functional, psychological and need appreciation by different actors of each other will certainly result in shared harmonious culture. Human capital builds up future workplaces.

Based on the findings of the study, it would be imperative to philosophize for future that:

“More the HR-IR interventions tuned to variegated specific needs of different actors; better would be the industrial harmony.”

5.4.4 Strengthening IR through better wages, improved working conditions and enhancing productivity of workers

There is a philosophical proverb in English that reads “there is your truth, there is my truth and there is the ultimate truth”. The proverb probably truly reflects the hypotheses set for this study. The study purported to find out whether managers and workers think alike or differently about contribution of IR towards improved wages, working conditions and productivity of workers in the post liberalization era.

The research resulted in significant difference in proportion of workers and managers who opined positively on improved working conditions and productivity of workers but the difference was not significant on the issue of wages. Both proportion of workers and managers opined alike on better wages. Perhaps the fact that quantum of wages are a function of lot of factors like; time value of money, regular revision in minimum wages, consumer price index, rate of inflation, purchase power of currency, conversion value of money with respect to international monetary system
and over decades naturally shows higher trends the answers were leading and resulted in skewed findings because of non consideration of confounding variables.

The significant difference in proportion of workers and managers about their perception on contribution of IR towards working conditions found more acceptance with the workers than managers reflects sustained faith of workers in utility of IR compared to Managers.

On the same note the perceived role efficacy in terms of better productivity and importance of role by the workers is found to be significantly higher amongst Workers than Manager’s perception of workers.

Both the results also point towards a “Image Gap” of What Workers think they are and the Manager’s expectation of their productivity.

On the basis of results it can be reasonably suggested that :

“Stronger the IR systems in the organizations, greater the perceived satisfaction with the working conditions and role efficacy in terms of importance and contribution”

5.4.5 Concluding Remarks

The history of industrialization is not very old. Some of the founders and propounders of thoughts on industrialization have just completed their journeys on earth and are finding framed positions in “management thought hall of fame”. Some others, known for their contribution in evolution and growth of principles and practices of management in industrialized era are still actively furthering the thought knowledge of the subject. Nevertheless, the history is long enough to look back at and derive lessons, both good and bad, for the future roadmap of the industrialization. Two of the most coveted concepts which have directly impacted the most sensitive resource of production and indirectly the triple bottom lines are Industrial Relations and Human Resource Management. Where Industrial Relations was born out of specific overriding productivity needs and evolved in a very regimented, regulated, principled and normative format; the new age Human Resource Management emerged as more abstract, glamourous, flexible, futuristic and elite cousin of IR. The enigmatic aura of HRM and the promising packages of glossy goodies combined with aspirations
associated with the liberal economic reforms after 1991 created a wave on the sea of individual, dyadic and group human behavior threatening to engulf all older concepts dealing with people in its lap. The fads and frivolous concepts readily submitted but the tried and tested concepts like IR waited to watch and decide. The concept of HRM undoubtedly was more socialistic in approach with potential values like nurturing, equality, dignity, shared prosperity, respect for diversity, development orientation, progressive attitudes and freedom of choice. The IR readily offered its hand to be acquired by the “betters” of HRM but when it came to the fragile and shaky aspects of HRM punctuated by unreasonable and unpredictable greed of employers, fierce competitive approaches at the cost of “so considered equals”, hideous and discretionary practices of sharing and caring and subjective discrimination leading to widening the gaps between haves and have-nots, the IR became conscious and cautious both.

The present study indicates that the actors of production, both managers and workers are in a state of transit about both IR and HR which in turn themselves are experiencing tectonic shifts of power. There is perceived disconnect between acts and deeds in the ambit of HRM where as in the domain of IR there is need for shift from acts (laws) to actions. Although neither IR nor HR are trying to replace each other or converge by design but the limitations of resources and compulsions of tradeoff amongst factors of production has resulted into a few integrations and convergences by default. The present study had focus only on tyre industry and the sample was majorly representative of the organized automobile tyre sector, but it cannot be negated that tyre industry being capital, labour and technology intensive represents a cross section of Indian manufacturing Industry. Especially considering the share of contribution to the industrialized economy the results of this study in the tyre sector may be generalized to IR HR scenario as a whole of India Inc. Statistically though industry specific researches are recommended to account for industry nuances. The researcher recommends researches with special focus on sector, industry, and concept and over time based on present research as basis or exploratory. However, the fact remains that if synergy is to be reaped from integration of both IR and HR, ensuring satisfaction of all actors of the industry, a progressive strategy needs to be designed which will encapsulate nearly all dimensions of HR and IR and leave little to exception. Until then, one thing is certain, Both HR and IR have carved their
individual and overlapping niches and are here to stay without contradicting each other.

5.5 Limitations of the Study

Every work has some limitations and research is no exception. From imagination to inception through execution and report writing, there are several personal and environmental limitations that the researchers face in carrying out any study. In the present study too, out of innumerable implicit and explicit limitations a few which directly affect the results and quality are mentioned here. Conscious efforts were made to minimize the limitations to the maximum extent possible but it is recommended that the report be read in view of limitations explicitly expressed here.

1. The limits of intellectual comprehension are inherent in all persons. Thus there could be a limitation of understanding of subject, data, information and results of researcher as well as respondents.

2. The limitations of resources, viz time, manpower, money and geographical movement could have impacted the findings and the results.

3. The full time employment status in the focus industry was both an advantage and disadvantage for the researcher. On one hand it helped seek cooperation from respondents on the other hand it meant extending time, energy and efforts sometimes stretching beyond the human limits to manage corporate and academia simultaneous in addition to full blown household responsibilities.

4. The non statistical background of the researcher was compensated with professional assistance and course work of the university with which the researcher was involved.

5. Because of limitations of resource only a sample survey was adhered to which certainly is limited compared to census.

6. The study has inherent limitations of sampling and non sampling errors.

7. The limitations related to human biases in responses cannot be ignored.

8. There are limits to generalization and trade off between type one and type two errors while testing the hypotheses.

9. The limits of language and expression certainly restricts the conversion of thoughts into text.
10. The author doesn’t claim semantic and meaning wise perfect recording of either findings or results.

5.6 Scope for Future Research

The research study titled *Industrial Relations in Tyre Industry: Post Liberalization in India* resulted in several avenues for future research and a few testable hypotheses for researchers of HRM and IR of tomorrow. The researcher will like to pursue himself as an area of interest and also recommend the future researchers the following:

1. The study results definitely indicate that the sentiment about IR being an absolute independent non conflicting function has shifted centre of gravity and a substantial chunk of the actors do believe that the IR function is now conflicting with other management functions like HRM. Thus the results open further research avenue over time longitudes and future researchers may find some point in future where IR either gets merged or acquired by other management functions.

2. It is recommended to conduct a study based on a gap analysis to integrate IR with HRM fundamentals concepts and practices. A detailed matching will have to be done considering each IR process and its matching HRM theory and practice. It will be interesting to note as to how HRM will develop mutual trust and respect amongst workers to gain their support and co-operation.

3. The study firmly establishes the continued identity of IR as an independent function without any significant challenge to its existence since late 1800s. It has matured over all these years though still without any theoretical framework. It is an action oriented function which has the strength to deal with all employee relations issues and challenges. There is a strong confirmation that IR is still going to be a subject of importance for the tyre industry in India. It is well grounded solidly. Future researches to firmly establish theoretical foundation based on journey of IR so far is highly recommended.
4. It is recommended that 5 years from now a study should be conducted to assess the strength of IR systems and if there are better and acceptable alternatives to it under the HRM domain or any other management function.

5. Based on the empirical findings of the research it can be claimed with confidence that although neither rendered insignificant, nor able to maintain a non conflicting status, IR is seesawing for a firm foothold to maintain its utility, relevance and significance.

Thus a future testable hypothesis that can be proposed is

“More frequent, profound and firmer the contribution of IR subsystems in achieving organizational objectives longer would be the identity sustenance of IR as an independent and non conflicting function.”

6. Of course using the premises of this research for parallel industries in automobile sector and other industries in manufacturing sectors will help empirically induct the findings on to the larger canvas. Practitioners of HR-IR are highly recommended to undertake sector specific research using this work as lead.

7. With the boundaries between workers and managers blurring by the day, it is recommended that comparative studies of perceptions of workers and managers in the domain of IR and HR in different sectors can also give interesting insight into future shaping of the human resource scape of industrialized India.