Chapter I

Problems
and
Methodology
Industrial peace and industrial harmony are the pre-requisites for the economic development of any nation. They assume greater significance in a developing economy like India. In the perennial struggle between labour and capital, if strikes and lockouts are indiscriminately resorted to, if the trade unions do not engage in positive partnership and constructive co-operation, the nation's economy would be affected. They aim at promoting harmony in Industrial Relations upon an ethical and economic basis, and its ultimate objective is peace in industry. Now, power has been concentrated in the hands of a few entrepreneurs, while a majority has been relegated to the insignificant position of mere wage earners. The workers have now come to realise that most of their demands can be satisfied if they resort to concerted and collective action; while employers are aware of the fact that they can resist these demands. This denial or refusal to meet their genuine demands has often led to dissatisfaction on the part of workmen, to their distress, and even to violent activities on their part, which have hindered production and harmed both the workmen and the employers.

Harmonious relations in every sphere of human activity are an essential condition of social, economic and political progress. Industrial system has tended constantly to widen the gap between those who own and manage industry and those who work in it. This gap gives rise to conflict in labour-management relations resulting in the fall in production and hardship to the community. Industrial conflict which generates various types of industrial disputes both economic and non-economic becomes a major factor for a good and bad industrial relations system.
Methods of industrial conflict resolution are of cardinal importance to industrial relations. Harmonious industrial relations are conducive to productivity, progress and prosperity of industrial organisations. The social, economic and psychological problems of those employed in the process of production are challenges to the management of modern industrial organisations. Industrial conflict and its manifestations in the form of strikes, lock-outs, work to rule, gheraos, go slow movements and demonstrations are not only the concern of management and labour but also the government and every person who is interested in maintaining industrial democracy and increased industrial productivity. In the Indian context it is tripartite in nature in as much as the role of the state has a considerable influence with regard to labour-management relations whenever it is found that there exists conflict between management and labour, the state has come to interfere.

1.1.1 Causes of Industrial Conflict

Most of the industrial relations problems are due to lack of understanding, suspicion and distrust between employer and employee. The parties do not understand their respective rights and obligations. Industrial disputes, whether raised before industrial relations machinery or involving strikes arise due to variety of causes, which may broadly be termed as economic and non-economic, though it is a matter of controversy whether the prominent factors underlying industrial disputes are economic or non-economic.¹ The conflict of interest between the two sides has existed from the

beginning. Workers' efforts to achieve higher wages and other economic benefits, greater security of employment and greater freedom and dignity at the workplace, have always been viewed with misgivings by employers and have been resisted by them as encroachment upon their profitability, their freedom to 'hire and fire' and to control the operation of the enterprises. Inadequate wage, bad working conditions, hours of work, terms and conditions of employment, attitude of management towards labour, rivalry among and multiplicity of unions, non-implementation of agreements, awards etc. might be regarded as the major causes of industrial conflict in an organisation.

1.1.2 Impact of Industrial Conflict

The impact of industrial conflict is also far-reaching because it not only disturbs the industry itself, but also disturbs the economic, social and political life of the community. Industrial disputes in basic industries is like a boulder stone thrown into a pond causing ever-widening waves till the entire pond is engulfed. Naturally, the workers, the employers, the consumers, the community and the nation suffer in more than one ways. Unrest, which is equated with strikes, lock-outs, gheraos, work to rule, dismissals, retrenchment etc. is the most dramatic manifestations of industrial conflict, mars to set up a benign climate of industrial relations in the industries. The industrial disputes result in huge wastage of mandays and dislocation in the production work.

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2 Mamoria C.B. and Mamoria, S., Dynamics of Industrial Relations in India, Himalaya Publishing House, Delhi, P. 262.
Though unrest is endemic to industrial society, it is very much conspicuous in our industrial scene today.

1.1.3 Prevention and Resolution of Industrial Conflicts

1.1.3.1 Preventive Methods

Prevention is always better than cure. The immediate need of the hour is that of narrowing the gulf between labour and capital and find out the means of establishing contact between the employers and the workers. There are various means to prevent the industrial conflict. They are:

**Stable Trade Unions** - The trade unions can have direct negotiations with the employers and can remove one of the important causes of many strikes, that is, misrepresentation of the workers to the employers by the intermediaries. It is not possible for the employers to personally tackle with every individual employee and to try to redress his difficulties. The employers should find in a union the heart of the workers and once the heart is satisfied the employer can rest content that his employees have no ground to grudge. The employers must look to the trade union movement as essential and desirable instrument for securing harmonious relations. The worker also gain as, by collective and united action, they can counteract the strong bargaining power of the employers and thus can get a fair deal at their hands. However, in order to be effective, the trade unions must be strong and sound in their organisation and must represent a majority of the workers.
Works Committees - Works Committees consists of the representatives of both the employers and the employees in an establishment. Their main purpose is to discuss day-to-day affairs in a cordial atmosphere of mutual goodwill and friendship in the premises of the factories as two friends meeting and discussing things with a view to settle and compose their differences amicably and quickly. The subject matters which are discussed include all matters relating to production, working conditions, welfare, training, wages, discipline, hours of work, bonus etc. Until these questions are dealt with satisfactorily at the initial stages, they may result in a serious cause of dispute. The works committees in the factories provide the scope for such discussions. So, the importance of works committee is very great in preventing the disputes. It is comparatively easier to reconcile the two parties in the initial stages, when none of them has staked its honour in the dispute because afterwards, when the dispute has arisen the parties try to adhere to their respective stand points and the dispute is prolonged. So the works committee has great utility in preventing industrial disputes.

Standing Orders - The prerequisite for the development and maintenance of healthy relationship between the employers and the wage earners is the existence of satisfactory employment and working conditions. In their absence, industrial strikes, bickerings and bitterness crop up. These can be held in check if conditions of employment and work are improved. In this regard Standing Orders play a significant role. It refer to the rules and regulations which govern the conditions of employment of workers. It specify the duties and responsibilities on the part of both the employers and employees. The purpose of having Standing Orders at the plant level is to regulate industrial relations. These orders regulate the conditions of employment, discharge, grievances, misconduct,
disciplinary action etc. of the workmen employed in industrial undertakings. These issues are potential problems in industrial relations. Unsolved grievances can become industrial disputes and disciplinary action in the wake of disciplinary proceedings against misconduct may lead to industrial unrest.

**Grievance Machinery** - Grievances, real or imaginary are a part of the human relationship in an organisation and they must be well recognised in order to achieve the best possible efficiency and productivity. Grievance machinery forms a part of an integrated scheme intended to promote satisfactory relationship between employees and employers. A good grievance machinery prevents a number of disputes in an organisation.

**Joint Standing Machinery** - Joint Standing Machinery of a bipartite and tripartite nature, other than works committee, grievance committee, are being constituted in every industry and in every unit thereof. This body meets at regular intervals and discuss all the issues - welfare measure, rationalisation and such other problems as are of mutual concern both to the workers and employers. The joint and close discussions would thus dispel conflict and distrust between the two parties and the representatives of both sides would try to understand and appreciate the viewpoint of the other.

1.1.3.2 Methods of Industrial Conflict Resolution

**Collective Bargaining** - A basic aim of collective bargaining is to facilitate the peaceful accommodation of conflicting interest. This accommodation normally comes about through a process described as 'give and take'. Being a democratic method, its
effectiveness is containing industrial disputes and ensuring lasting industrial peace. The best way to solve an industrial dispute is through collective bargaining. The collective bargaining as dispute settlement process helps to create an atmosphere of harmony and co-operation. Collective bargaining has been emerging as a remarkable method of resolution of industrial conflicts in India over the last five decades.

**Conciliation** - Conciliation is the act of third party bringing together the two parties in dispute for negotiation and for settlement of the disputes. The aim of conciliation is nothing more or less than the parties reaching an agreement. The aim is to compromise between the workers and management by which there will be better industrial relation in the industry.

**Arbitration** - Arbitration is a process in which a dispute is submitted to an impartial outsider who makes a decision which is usually binding on both parties. It is more judicial in character than conciliation.

**Adjudication** - Adjudication is a judicial process of determining the disputes and in countries like India it is the ultimate legal remedy for the settlement of an unresolved dispute. This is done by its reference for adjudication by the appropriate government. Reference of a dispute would also be made when both the parties to a dispute apply for such a reference. The adjudicator after hearing both the parties, gives his award on judging the merit of the conflicting issues involved therein.
1.2 Rationale of the Study

Due to the increasing labour problem and bad labour management relations, Steel Industry in India has not been able to give its best. Even if there is heavy capital investment for modernisation of plant, the productions targets are not achieved. Productivity is also lower in comparison to other countries of the world. However, in recent years, by the proper legislation's and the considerable improvements of the grievance-machinery, the standing orders and the various methods of industrial conflict resolution have brought a miraculous change in establishments and its industrial relations climate. One notable feature is that the disputes are settled through collective bargaining rather than by wage board award and tribunals. Here the remedy lies in having a continuous dialogue with the employees with a view to developing a stable bipartite relationship based on mutual recognition and understanding.

Rourkela Steel Plant (here in after it will be known as RSP) was taken up for the study because of the following considerations: (i) It is an unexplored area. Study of methods of industrial conflict resolution in steel industry has not yet attracted the attention of scholars. (ii) As the nation's economic growth is largely dependent on public sector enterprises, maintenance of harmonious industrial relation through effective method is very significant. RSP being a public sector organisation, a comprehensive study of methods of industrial conflict resolution was conducted.

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1 Sahab Dayal, "Revival of Collective Bargaining in India; Some Recent Evidence." Indian Journal of Industrial Relations, Volume XVII, Number 3, January 1982.
Further, it has provided employment opportunities to a large number of people. The plant had 33331 workers as on 31st March, 1996. The number of industrial disputes in RSP is larger in comparison to other industrial organisations in Orissa. The labour unrest of RSP is also a matter of concern. Therefore, the present study was undertaken to ascertain the effectiveness of methods of industrial conflict resolution. The present study is an attempt to understand the practice of methods of industrial conflict resolution in RSP.

1.3 Objectives of Study

The present study attempts at examining the industrial dispute settlement machinery in RSP. The principal objective of the present study is to ascertain the role played by the machinery and methods of industrial conflict resolution such as grievance procedure, works committee, collective bargaining, conciliation, adjudication and arbitration in maintaining harmonious industrial relations in the plant. The purpose of the study is not fault-finding but to find out certain deficiencies if any, which may help in formulation of future course of action. With this broad objective, the study proceeds;

1. To find out to what extent the grievance procedure and joint forum prevent the industrial conflicts in the plant.

2. To study the determinants of participative management in the plant.

3. To study the structure and workings of participative forum in the plant.

4. To find out the number and nature of issues settled through collective bargaining, conciliation, arbitration and adjudication.
5. To analyse the collective bargaining policies, procedure and practices in order to know the strategies followed by the parties to accomplish their goals.

6. To study the determinants of collective bargaining such as trade union situation, attitude of parties, government policy etc.

7. To examine the process of collective bargaining, such as bargaining teams, process of negotiation and interpretation and implementation of bargaining agreements.

8. To study the feature of collective bargaining such as types of agreement, analysis of agreement, coverage of agreement, scope of agreement and duration of agreement.

9. To ascertain the structural and procedural pattern of collective bargaining.

10. To examine the functioning of the dispute settlement machinery as constituted under Industrial Disputes Act, 1947 such as conciliation, arbitration and labour courts, industrial tribunals.

11. To evaluate the performance of conciliation machinery in terms of its effectiveness and efficiency.

12. To study the practice of conciliation machinery in the plant.

13. To study the performance of labour courts, tribunals and superior courts in terms of its effectiveness and efficiency.

14. To examine the practice followed in labour courts.

15. To study the implementation of the agreements, settlement and awards and the follow up action taken by the parties.
16. To offer, wherever, felt appropriate, suggestions aimed at improving the working of the machineries.

1.4 Hypotheses

The researcher has developed the following theoretical formulations on the basis of available information which would provide broad theoretical framework for the enquiry.

1. The industrial undertaking which is favourably located, which enjoys favourable market position and in which the working conditions are satisfactory, the unit is likely to experience healthy collective bargaining.

2. In an industrial undertaking where management is responsive, democratic and enlightened and union is financially sound and organisationally stable, collective bargaining resolves majority of industrial conflicts.

3. In an industrial unit where grievance procedure is established and systematic and participative management is effective, a large number of industrial conflicts are prevented as these machineries minimise industrial conflicts.

4. In an organisation, where there is stable union and the management is participative, where the employer and employee have positive and constructive approach towards collective bargaining, there is shift in emphasis from adjudication to collective bargaining.

5. Plants having permanent negotiating machinery and continuity of leadership is likely to contribute to healthy bargaining relations.
6. Union rivalry, outside leadership and political dominion of trade unions would tend to affect adversely the bargaining relationship.

7. In an industrial organisation whenever industrial dispute is settled through conciliation, adjudication and arbitration, the parties are not satisfied with the decision given by conciliation officer, adjudicator or arbitrator as these methods involve intervention of a third party.

8. Owing to the recommendatory nature of conciliation, insincere approach of the parties to dispute and availability of compulsory adjudication, conciliation machinery is being not successful.

9. Non availability of impartial arbitrator, easy availability of adjudication and as the decision of the arbitrator is binding on both the parties, if by any chance an arbitrator is found, the arbitration method for dispute settlement is not being followed in the industrial unit.

10. The longer the time taken by the government in making the references to adjudication, delay in the judicial procedure followed, the low and decreasing percentage of settlements, the increasing rate of pendency, the longer time taken to give awards have made the adjudication machinery a not very effective instrument for ensuring industrial peace.

11. The industrial units have easy recourse to the High Courts and Supreme Court for settlement of cases whenever an award is not their favour, as a result of which many awards are not being implemented and this in turn leads to delay in giving justice to the aggrieved parties.
1.5 Scope of the Study

The study confines only to the methods of industrial conflict resolution in RSP. The present study attempts at examining the machinery for prevention of industrial disputes such as a grievance procedure, works committee etc. At the same time it attempts to examine the methods of industrial conflict resolution i.e. collective bargaining, conciliation, arbitration and adjudication. The present enquiry covers the settlement of industrial disputes between the workers and management in RSP during the period 1970 to 1996.

1.6 Methodology

Application of appropriate methods and adoption of a scientific frame of mind is a *sine qua non* of a systematic inquiry. This has an important bearing on the collection of reliable and accurate information as well as on the outcome of the study.\(^1\) The main purpose of the present study is to make a detailed study of methods of industrial conflict resolution in RSP by the application of empirical techniques.

The present study is conducted by adopting three methods of research viz, case study, historical and survey method. Case study is a method of exploring and analysing the life of a social unit, be that a person, a family, an institution, cultural

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\(^1\) Murty, B.S. *Profiles of Indian Trade Unions* (A Study in Orissa), B.R. Publishing Corporation, Delhi, 1986. P. 12.
group or even entire community. Case study method was used to make intensive study of collective bargaining, conciliation, arbitration and adjudication practices in the RSP. The historical method was employed to have an idea of the history of the organisation and to study the trend and development of various aspects of collective bargaining, conciliation, grievance procedure and participative management. On the basis of this method information were collected from the past records. The survey method was applied to assess the opinions of different categories of respondents on various aspects of the present study. The enquiry involved the following:

(i) Data Collection - The data for the study was collected both from the primary and secondary sources. The relevant aspects of secondary data relating to the state and structure of trade unions, management, work force, industrial conflicts, collective bargaining agreements, conciliation settlements, arbitration, reference of cases to labour courts, industrial tribunals, High Courts, grievance procedure, works committee etc. were collected from the office records, files, documents, leaflets and reports of the trade unions, management, administrative office of the RSP and office of the Commissioner of Labour. The reporting of various events published in the leading newspapers relating to the methods of industrial conflict resolution, participative management, relation between the union and management was also a valuable source of information. Besides this, certain other sources like books, research journals and unpublished research materials having a bearing on the present study were also referred to.

Sources for the primary data were the respondents. These included union representatives, managers, government officials etc. Opinion from these respondents were collected to make an effort to study their views on various issues, policies, procedures, and practices of methods of industrial conflict resolution.

(ii) Interview Schedule and Observation - The main tool employed for the purpose of collecting information and to study the attitude of the parties was the schedule. Two separate schedules were prepared for management and union office bearers besides a common opinion survey questionnaire.

Management schedule\(^1\) was prepared to collect data from the management personnel covering such aspects as the historical background of the organisation, man power position, man power planning, personnel policy, functions of trade unions, style of management, machinery for the prevention of industrial disputes, methods of industrial conflict resolution, determinants, features, process, practices of collective bargaining, practices of conciliation and adjudication in the plant.

Trade Union Schedule\(^2\) was prepared to collect relevant information from union officials regarding origin and growth of union, finance, membership, leadership, union attitude towards management, various methods of conflict resolution such as collective bargaining, conciliation, arbitration, adjudication and machineries for prevention of industrial conflict.

\(^{1}\) For details see Appendix I.
\(^{2}\) For details see Appendix II
A common opinion survey questionnaire\(^1\) was prepared covering different statements on nature, process, practice, features and problems of methods of industrial conflict resolution to elicit opinions of management and union.

Personal interview with respondents was conducted to collect reliable and relevant information. Interview technique was combined with the administration of schedules. The interview times were fixed to suit the convenience of the respondents. In most cases the interview sessions were elaborate lasting 2 to 3 hours. In some cases, it took more than one sitting to complete the interview. Interview coupled with schedule constituted the principal tools of data collection for the study.

(iii) Non-Participant Observation - Besides, the researcher also adopted the technique of non-participant observation to perceive and observe important activities taking place i.e. (a) the environment of the respondents (b) the management attitude towards union and methods of industrial conflict resolution (c) the unions attitude towards management and methods of industrial conflict resolution and (d) labour-management relations.

Thus, the tools adopted for the data collection were schedule, questionnaire, personal interview and non participant observation. With the help of these tools detailed information and elaborate data both qualitative and quantitative having bearing on the studies were collected.

\(^1\) For details see Appendix III.
(iv) Sample - In all 70 management personnel were selected on the basis of purposive sampling. All the 603 management representatives who were members of the bipartite committees and 97 executives having collective bargaining, conciliation, and adjudication experiences (at national level relating to collective bargaining and plant level) were taken into consideration and 10% of this total i.e. 70 was selected as management sample in the unit. Interviews were held with President, Vice-President, General Secretary, Joint Secretary and Treasurer of each union. In all 90 union representatives were selected from all the unions of RSP.

1.7 Techniques of Analysis

The study is essentially an empirical one. The present enquiry is both qualitative as well as quantitative in nature. An attempt has been made to analyse the situation regarding various variables included in this study. The analysis is supplemented by the information collected through interviews of the various respondents. In view of the procedure adopted for the selection of the respondents, it was not possible to use any tests of significance in the analysis of primary data.

The study implies understanding of various determinants of collective bargaining and participative management such as attitude of parties, management philosophy. As such, the study involves an analysis and description of a number of aspects pertaining to process, features, trends and patterns of bargaining, structure of participative management, grievance procedure, practice in conciliation and
The main objective of the present study is evaluation of the performance of the dispute settlement machineries. There are two ways of evaluating the performance, one is effectiveness and the other is efficiency. The first one relates to the degree to which objectives are achieved, and the latter is the ratio of output to input. It is difficult to measure performance because it consists of two inseparable components, i.e. quantity and quality.

Effectiveness which is a broader term than efficiency has to be seen in terms of achieving objectives for which the institution of dispute settlement machineries have been created, are stated in the preamble of the Industrial Disputes Act, 1947. The main objective stated in the preamble of the Act is: the settlement of industrial disputes in a manner which results in industrial peace and harmonious relations between labour and capital. So, effectiveness of the dispute settlement machineries, like conciliation, adjudication and arbitration, have to be measured in terms of settlements or awards alone. So to maintain industrial peace and harmony settlement or awards should be effective, so that there is elimination of source of dispute.

On the other hand, quantitative aspects are tabulated, analysed and expressed in statistical terms using such techniques as averages, percentages, tables etc. To study the effectiveness of dispute settlement machineries, settlements have been taken as key criteria. Settlement in respect of collective agreement would mean the
mutual agreement signed, in conciliation would mean disputes settled, in adjudication would be the disputes dismissed as settled and regular awards.

Efficiency has been measured on the basis of time taken to dispose of disputes by conciliation officer or adjudication. In this case as detailed information relating to time was not provided by the management, only some examples have been given.

1.8 Survey of Literature

An attempt is made in these pages to review the available literature on methods of industrial conflict resolution. The researcher has also attempted to review the available literature on machineries for prevention of industrial conflict. Limitations and gaps existing in this field of study are also brought out. As the canvass is very wide and works are numerous, the present review cannot claim to be exhaustive. But at the same time the researcher tried to include all important works. The review, it is hoped will be found useful by the researchers in this area.

The research studies undertaken in India exclusively on methods of industrial conflict resolution are very few. Vijay Asdhir\(^1\) while evaluating the methods of settlement of industrial disputes in Punjab with special reference to textile industry, discusses that the settlement process of industrial disputes is to be judged in the context of its effectiveness and efficiency i.e. the extent to and the cost at which the settlement

\(^1\) Asdhir, V. *Industrial Relations in India, Settlement of Industrial Disputes* (Deep and Deep Publications, New Delhi, 1987).
machinery has been able to achieve the objectives for the attainment of which it has been constituted. The study reveals that the effectiveness and efficiency of the dispute settlement machinery have been very low. The reasons for this can be found in the inability or unwillingness or both on the part of any one or all the parties involved in the process.

A.V. Raman Rao\(^1\) has made a comparative study on the practices of Mediation, Conciliation and Arbitration in India and U.S.A. The author\(^2\) has also critically examined the prevailing labour legislation and made a comparative study on collective bargaining versus Government Regulations in India and U.S.A. In his study, he gave much emphasis on workers' education and management development for successful collective bargaining. At the same time he suggested for a more farsighted, clear and practical public policy for growth of collective bargaining in Indian industries.

Mary Sur\(^3\) is one of the earliest authors on collective bargaining who has advocated that collective bargaining is the best mechanism for conducting industrial relations. She has made a comparative study of development of collective bargaining in India and other countries such as U.K., U.S.A., Canada, Australia, etc. Amarjit Singh Sethi\(^4\) attempted to describe the role of collective bargaining in industrial relations in

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India. He analysed the collective bargaining situations at Ahmedabad Textile Industry and Tata Iron and Steel Company and he made an attempt to evaluate the role played by collective bargaining in maintaining industrial peace in India but fails to provide the climate in which collective bargaining can operate well. R.K. Das and B.S. Murty\(^1\) made an elaborate study of collective bargaining in Indian Steel Industry. They traced its origins, analysed the determinants and focused on the role of bargaining in industrial relations. B.K. Tandon’s\(^2\) work on collective bargaining and the Indian scene is a modest attempt. He has made a convincing plea for the adoption of collective bargaining for the resolution of industrial conflicts in the Indian context. He has also pointed out that the Government depends heavily on compulsory arbitration and by its acts of omission and commission elbows out collective bargaining from the industrial scene. Thus it is an invaluable material for researcher on the subject.

P.K. Mohanty\(^3\) made a study of collective bargaining in steel industry with particular reference to Rourkela Steel Plant. S.K. Bhatia\(^4\) also made an attempt in his book to analyse the practice of collective bargaining in Indian industries. He made an elaborate study of process of collective bargaining. Though it lacks theoretical foundation and penetration, he has touched the core aspect of collective bargaining. B.R. Patil’s\(^5\) work on collective bargaining practices in Coimbatore region is a modest

attempt. On the basis of his field investigation, he has identified coalition bargaining and convertive bargaining.

Apart from the above books, there are some works by Indian authors dealing with collective bargaining situation in India. They have touched the theme of collective bargaining in one or two chapters of their books. Among them mention must be made of R.V. Rao's Labour Management Relations, V.B. Singh's Climate for Industrial Relations - A Study of Kanpur Cotton Mills, G.L. Srivastava's Collective Bargaining and Labour-Management Relations in India, Dayal Sahab's Industrial Relations System in India - A Study of Vital Issues, A.M. Sharma's Industrial Relations-Conceptual and Legal Framework, T.N. Kapoor's Personnel Management and Industrial Relations in India.

K.Ramachandrana Nair in his study in Kerala gave much significance to collective bargaining. N.N. Chatterjee dealt upon the trends and practices of collective

bargaining in India. V.D. Kennedy\(^1\) made a general study of principles and practice of collective bargaining in India. He critically analysed the role of union, employers and government in the practice of collective bargaining. He stressed that the growth of healthy trade unionism and a system of free collective bargaining can make an important contribution to Indian democratic and economic development.

Lallan Prasad’s\(^2\) Personnel Management and Industrial Relations in Public Sector, R.S. Davar’s\(^3\) Personnel Management and Industrial Relations also made reference, to the nature and practice of collective bargaining. According to the findings of the survey conducted by the Employers’ Federation of India\(^4\) Bombay, the Practice and Procedure adopted in collective bargaining differed from industry to industry and within an industry, between one company and other.

Allan Flanders\(^5\) in his study suggested to reform the present collective bargaining system. N.W. Chamberlain\(^6\) and J.W. Kuhn discussed in detail the theoretical framework of collective bargaining. Their work is considered highly useful for understanding the concepts of theoretic plane. Reed C. Richardson\(^7\) brought the innovation

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in collective bargaining by linking management by objectives with collective bargaining. Arthur A. Sloane¹ and Fred Witney classified the bargaining process into three stages i.e. early stages, later stages and final stages and analysed the reciprocal character of collective bargaining.

B.J. Foley² and K.T. Maunders, in their book discussed the role of information in collective bargaining. Much of the discussion focuses on the issue of the ability to pay argument in collective bargaining and the difficulties this presents to accountants and negotiators. George W. Taylor³ in his book Government Regulations of Industrial Relations, made an attempt to take inventory of the shortcomings and inadequacies of collective bargaining practices in U.S.A. John T. Dunlop⁴ and James J. Healey made a study of the public policy of U.S.A. on collective bargaining. The authors made detailed study on concepts and principles and finally advocated for free process of collective bargaining for its flexibility and other benefits. National Planning Association⁵ of U.S.A. made case studies on 138 companies and found out the usefulness of certain approaches, policies and procedures in helping to achieve industrial peace under collective bargaining.

Keith Sisson\(^1\) in his book, *The Management of Collective Bargaining* has examined the distinguishing characteristics of the structure of collective bargaining in particular at whether or not bargaining is collective on the employer’s side. It discusses the nature and extent of employer involvement in collective bargaining in the work place, the district and industry.

A.D. Shroff\(^2\) while evaluating conciliation machinery in the province of Bombay during 1929-34 commented that conciliation machinery failed in its two main objects, which it had set up to attain, viz, the lessening of strikes and providing an adequate machinery for settling disputes. B.R. Patil\(^3\) while studying functioning of conciliation machinery in Karnataka, concluded that the functioning of conciliation machinery was unsatisfactory and highly ineffective. The Indian Law Institute\(^4\) reported that the conciliation machinery in central sphere was quite effective and on an average 64% of the cases instituted in conciliation proceedings were settled. International labour office\(^5\) describes the qualities of conciliator. According to it the conciliator should have power of persuasion, common sense, sense of humour etc.

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There have not been many studies on voluntary arbitration because of limited use of arbitration in India. A study done by Ministry of Labour⁴, Government of India, revealed that out of 336 failure cases analysed arbitration was resorted to only 4 cases and only in one case it did actually takes place. The study further revealed that 99 percent of the employers and 19 percent of the unions refuse to accept arbitration.

R.N. Banerjee⁵ states that adjudication was prevalent in India not over other methods but because the workers were poor and uneducated and trade unions were incoherently organised. He commented that adjudication could not establish industrial peace for all time to come. V.V. Giri⁶, in his book, Labour Problem in Indian Industry, opposed any involvement of courts at all for settling labour disputes as they retarded growth of unions. He stated that adjudication is the enemy of collective bargaining. S.R. Mohan Dass⁷'s study brought out that the compulsory adjudication system for management of industrial relations was very quickly breakdown as tempo of industrialisation increased. He also states that, parties in the adjudication process found the judicial process extremely difficult to operate and judiciary in industrial disputes itself was finding it difficult to adjudicate in the complexities of problems. National Commission on Labour⁸ submitted its report in 1969. The report reveals the trend and pattern of collecting bargaining in Indian industries. The Commission recommended the ways and means for growth of collective

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bargaining in India. However, the Commission concluded that the performance of the conciliation machinery did not appear to be unsatisfactory. The Commission has come to the conclusion that voluntary arbitration in India has had little success. It also described the various factors for the slow progress of arbitration such as: (a) easy availability of adjudication in case of failure of negotiation, (b) Dearth of suitable arbitrators, (c) cost of the parties, (d) Absence of recognised unions which could bind the workers to common agreements. The commission admitted that adjudication suffered from certain procedural deficiencies, like it is dilatory, costly and even discriminatory as the power of reference vests with appropriate government. However, the Commission was satisfied with the adjudication process in that it had helped to avert many work stoppages by providing an acceptable alternative to direct action, and to protect the interest of workmen. The commission emphasised for the gradual replacement of adjudication by collective bargaining.

S.L. Agrawal¹, discussed elaborately the available machinery and methods of industrial conflict resolution in Indian industries and concluded that whatever the defects may be in the system of collective bargaining, still it is taken to be the best method of resolving conflicts without much burning. K.N. Subramanian² made an extensive study of the machinery and methods of industrial conflict resolution in India and concluded that collective bargaining is the ultimate goal. R.S. Kulkarni’s³ Industrial Adjudication and with

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Special Reference to Reinstatement, S.D. Punekar's Industrial peace in India, V.P. Arya’s Settlement of Industrial Disputes also discussed one or more methods of industrial conflict resolution. Gurubakhsh Singh in his book, Industrial Disputes and Machinery for Settlement in India, analyses the causes of Industrial disputes and offers useful suggestions for the building up of a sound system of labour management relations.

B.K. Bhar describes legal practice and procedure in connection with settlement of industrial disputes. Srikant Mishra, in his book, Modern Labour Laws and Industrial Relations, made reference to the nature of industrial conflicts and industrial relations machinery. He also made an attempt to focus the attention of the readers to the current and controversial problems relating to the modern labour laws in India. Mamoria C.B. and Mamoria S. analyses in their book, Dynamics of Industrial Relations in India, with a highly complex, ever-changing and expanding field of industrial relations and is based upon the theory, principles and practices developed in India and elsewhere. It throws a flood of light on different aspects of the subject such as industrial disputes and the methods of settlement, participative management, provisions of the various legislative enactment bearing on industrial disputes.

According to Kurt Braun\textsuperscript{1} conciliation is an art and a highly individual process so as to be effective. The author also analyses the other settlement machineries. Sahab Dayal\textsuperscript{2} article “Revival of Collective Bargaining in India : Some Recent Evidence, examines the operative mechanism of collective bargaining practices in 1970’s in Steel and Coal Industries.

N.N. Chatterjee\textsuperscript{3} has advocated for the infrastructure of collective bargaining, such as, the legal system, labour policy and government attitude towards collective bargaining. B.R. Patil\textsuperscript{4} in his article “Time limit in Dispute Settlement” examines the time limit for the Settlement of industrial disputes.

International Labour Organisation’s\textsuperscript{5} report on Labour-Management Co-operation has been drawn up in two parts. Its first part devoted to the problems of the right of association and the second part deals with co-operation between employers and trade unions in negotiation, the collective agreement and the methods employed for settling labour disputes.

\textbf{1.9 Presentation of the Study}

The entire study is divided into nine chapters and arranged in logical sequence. Chapter-I deals with the problem, objective, scope and method of study. It also deals with

\begin{itemize}
\item \textsuperscript{1} Braun Kurt, \textit{Labour Disputes and their Settlement} (Baltimore, John Hopkins, 1948).
\item \textsuperscript{2} Dayal Sahab, “Revival of Collective Bargaining in India : Some Recent Evidence”. \textit{Indian Journal of Industrial Relations} (Volume 17, Number 3, January 1982).
\item \textsuperscript{3} Chatterjee, N.N., “Infrastructure of Collective Bargaining”, \textit{Indian Journal of Industrial Relations} (Volume 8, Number 4, April 1973).
\item \textsuperscript{4} Patil, B.R., “Time Limit in Dispute Settlement”, \textit{Indian Journal of Industrial Relations} (Volume 10, Number 4, April 1975).
\item \textsuperscript{5} International Labour Organisation, \textit{Labour Management Co-operation} (Geneva, 1947).
\end{itemize}
rationale of study, hypotheses. Chapter-II describes theoretical framework of industrial conflict resolution including concepts, practices of methods of industrial conflict resolution in India, history of industrial disputes legislation in India and references of foreign practices in Indian situations. Chapter-III attempts to ascertain the difference between the policy and practice of industrial conflict resolution in India. Chapter-IV attempts to present the organisational context of Rourkela Steel Plant. It covers location, size, technology, man power position, union, organisation structures, management style, production and productivity etc. Chapter-V examines the participative management in RSP. It includes grievance procedure, works committees and other joint committees in the plant. Chapter-VI examines the determinants, process and features of collective bargaining in RSP. It also includes types and levels of agreements in RSP. Chapter-VII describes the practices and process of conciliation in RSP. Chapter-VIII deals with practices and procedures of arbitration and adjudication in RSP. Chapter-IX presents the findings, conclusion and suggestion of the study.

1.10 Limitations of the Study

A study of this kind naturally involves difficulties and problems. The formidable difficulty was non-availability of organised and up-to-date data. Almost whole of the secondary data collected for the present study originated from the office of the RSP and trade unions. A great reliance was to be placed upon these information. Trade union offices being one of the sources of information, their unsatisfactory maintenance and in some cases, non availability, posed a problem.
Supply of data and information was restricted to some extent by the RSP. Up-to-date information was not available either due to non-maintenance or poor maintenance of records. Detailed information relating to time period taken to settle the disputes in conciliation, Labour Courts and Industrial Tribunals were not available either in published or unpublished form. The general limitations of primary data related to the partial and non-response of the respondents owing to factors like unwillingness to disclose certain information, etc. which might have occurred in spite of the best efforts of the present researcher.

Mention may be made here that despite these difficulties and problem, there was overwhelming response of the management representatives and trade union officials. Their cooperation, help and hospitality enabled the researcher to make the best out of the situation. The management and union representatives were very spontaneous to answer the questionnaire.

The concluding observations of the study were not free from limitations. The industrial climate are ever changing. The philosophy and approach of the parties, the government policy, technology, market conditions may also change. As such the conclusions must be viewed with caution in future.

The present study no doubt provides a definite basis for further research in the field.