CHAPTER IX
SUMMARY AND CONCLUSIONS

The purpose of this study was to find out the gains availed by the employees through collective bargaining, the effect of organizational climate on bargaining outcome, impact of workers' desire to bargain and other personal characteristics on collective bargaining and the attitude of the parties towards the bargaining process. The nature and extent of collective bargaining during the last decade was analysed to have the detailed picture of the process. For this purpose, relevant informations were collected from two sources i.e., Secondary (published and unpublished records) and Primary (the respondents including management, workers and trade union leaders). To elicit informations from primary sources, a well structured interview schedule and questionnaire were administered to 307 respondents (74 management, 51 union leaders and 182 workers). The respondents were selected on the basis of stratified random sampling from departments like Blast Furnace, Coke-Oven Plant, Rolling Mills, Pipe Plant, Hot Strip Mill and from Administrative Departments. The union leaders were selected from the executive bodies of all the nine unions existing in Rourkela Steel Plant at that time. The following are the main findings of the study:
1. To have a climate conducive for better industrial relations, the management of Rourkela Steel Plant provides a number of welfare amenities. For better physical working and living conditions to the employees, there is a vast network of intra-mural welfare facilities. The total expenditure incurred on welfare and social amenities during the year 1982-83 was Rs.1,832 lakhs, which was 132 per cent higher than the amount spent in 1978-79 (Rs.810 lakhs). The cost per employee incurred in providing various welfare and social amenities in 1982-83 worked out to Rs.4,806 as against Rs.2,159 in 1978-79. It increased by 122.6 per cent during that period. The expenditure in providing various subsidies was Rs.781.48 lakhs in 1982-83 as against Rs.350.08 lakhs in 1978-79; an increase of 105 per cent. The per employee expenditure on various subsidies worked out to Rs.1,995.83 in the year 1982-83.

2. Out of the nine unions functioning in Rourkela Steel Plant, the recognised union i.e., Rourkela Mazdoor Sabha maintains a positive attitude towards management and participate in bargaining on all important issues. Between 1960-83, 326 agreements were executed in Rourkela Steel Plant; of which 264 (81 per cent) were with Rourkela Mazdoor Sabha. The other unions maintain hostile attitudes towards the recognised union.
3. Owing to the multiplicity of unions and the hostile attitude of the rival unions towards the recognised union, the industrial relations situation in Rourkela Steel Plant during 1973-83 was disturbing. The average labour trouble in the plant during 1973-83 was 58.3. The labour troubles like strikes, demonstrations, gharao and mass absence result in loss of man-days and others like 'refusal to do work' and 'refusal to do overtime' etc. do not necessarily result in loss of mandays. Between 1979-83, an average of 2,47,114.2 man-hours were lost for which the average value of production lost (sales value) was 368.50 million rupees. In 1980, a state wide 'bundh' call was given by political parties on 11.4.80 resulting in 22 per cent of the total mandays lost during that year. The Rourkala Mazdoor Sabha was responsible for an average of 44.4 per cent of manhours lost during 1979-83. In 1982, Rourkala Mazdoor Sabha caused 84 per cent of total manhours lost during that year in the form of strike, demanding more welfare facilities of the employees.

4. Strikes only accounted for 12.5 per cent of 'labour troubles' during 1973-83; whereas 'refusal to do overtime' and 'refusal to do work assigned' together accounted for 43 per cent of labour troubles during the same period. The years 1977 and 1978 together recorded 31.5 per cent of the total labour troubles. In 1976, there was no labour trouble in the plant because of the declaration of emergency in the country.
The cause-wise analysis of labour troubles during 1973-83 revealed that manning, disciplinary action, alleged misbehaviour of executives by workmen and assault of workman by another together accounted for 64 per cent of total labour troubles during that period. Manning only accounted for 23 per cent of the labour troubles. Manning mainly included revision of shift schedule and demand for full shift manning. Wages, incentives and bonus accounted for only 3.4 per cent of the total labour troubles.

5. The major loss of manhours was caused by the recognised union; Rourkela Mazdoor Sabha, which took lead to show its strength in organising the strikes on many occasions. The Rourkela Mazdoor Sabha was responsible for 44.4 per cent of manhours lost during 1979-83. Besides, the North Orissa Workers' Union (NOWU), which is the representative union in mines areas was also responsible for a substantial loss of manhours in mines.

6. During 1971-83, 61.7 per cent of the issues were settled through collective bargaining. Of the settled issues, 86.3 per cent were tripartite and the rest were bipartite in nature. Both the management and workers prefer to decide the issues through tripartite method with the help of a Conciliation Officer as it is binding on the parties. Between 1960-1983, 326 agreements were concluded, of which 83.75 per cent were tripartite. The recognised
union concluded 81 per cent of the agreements. Thirtythree per cent of such agreements were related to manning and 22 per cent to incentives. This supports hypothesis -II that "there is an increasing concern by management and workers' representatives to settle the issues through collective bargaining."

7. The Rourkela Steel Plant is launching the scheme of Workers' Participation in Management with the active support of the recognised union. As on 31.3.1983, 93 bipartite committees were functioning with 559 workers' representatives and 552 management representatives. All the workers' representatives were members of the recognised union. However, very little has been achieved from these 93 committees. It is evident from the performance of these committees. The main objective of this scheme is to fulfil the inherent psychological needs of the employees by enabling them to have more sense of commitment and more sense of belongingness. Hence it aims at ensuring more productive efforts from workers' side; but this objective is not achieved at all in Rourkela Steel Plant.

8. Collective bargaining brought about a substantial increase in wages and improvements in other terms and conditions of employment of the employees in
Rourkela Steel Plant. Both the money wage and real wage of workers registered an increasing trend through bargaining. Between 1970 and 1982, the money wage increased by 225.8 per cent and the real wage by 26.85 per cent, resulting in a rise in their standard of living. Besides, the employees are getting benefits such as transport allowance, leave travel concessions, reimbursement of medical expenses and a number of extra mural amenities like free education to the children of employees, recreational measures etc. under subsequent agreements. This supports hypothesis 1 that 'collective bargaining helps the workers in improving their economic conditions in terms of more wages and better conditions of employment'.

9. The employer did not gain anything through collective bargaining in Rourkela Steel Plant. Between 1976-1983, the capacity utilisation (in terms of saleable steel production) did not improve and the labour productivity registered a decline. On the otherhand, the workers' earnings increased during that period. The negative co-efficient of correlation (-0.08) between capacity utilisation and average annual money earnings of employee and between labour productivity and average money earnings (-0.87) revealed that while workers' average money earnings increased, both the labour
productivity and capacity utilisation declined. The employer also did not gain in terms of industrial peace since the figures on man hours lost due to labour troubles did not decline during 1976-1983.

10. Seventy per cent of workers liked their jobs very much whereas, 62 per cent of the workers revealed that they liked their organization much. Fiftysix per cent of the workers had favourable relationship with co-workers, whereas the corresponding figures for the supervisory relationship was 49. Sixtysix per cent of the workers revealed their positive opinion regarding collective bargaining in the Plant.

11. The managements, union members and workers were unanimous on the point that wages, bonus, incentives and other allied matters should be bargained. They were also unanimous that the areas of rationalization, marketing, introduction of new technology and calculation of income and profit should be the management's concern and should be kept out of the purview of bargaining. But differences existed among the respondents on the issues like recruitment, promotion, training, disciplinary action etc. While management respondents opined that recruitment, promotion, training and disciplinary action should be the managements' prerogatives, union members stressed that these issues be made bargainable items.
But most of the workers' respondents revealed that these items should be management's concern. Thus it is evident that the union members were trying to encroach upon the management's prerogative by making these items bargainable.

12. The workers' desire to bargain was influenced by a set of variables like experience, satisfaction with the supervisory behaviour and cordial relationship with co-workers. The other variables like education, skill, aspiration for promotion, interest in the job and salary did not have any impact on the workers' desire to bargain as revealed in this study. Hence this finding partially supports the hypothesis -IV that "the workers' desire to bargain is influenced by the factors like education, skill, experience, aspiration for promotion, interest in the job, salary and satisfaction with supervisory and co-worker relationship."

13. A majority (49 per cent) of union members stressed that collective bargaining should be viewed as exchange relations, whereas the majority (43 per cent) of management's respondents opined that bargaining should be viewed as functional relationship. This finding revealed two different approaches by management and union members to collective bargaining. The union members (mostly employees of the Plant) viewed that
bargaining is the means through which their economic objectives could be easily achieved. They did not recognize the other functions of collective bargaining. To them, collective bargaining is the medium of extracting more from the management in terms of higher wages and other welfare measures by putting pressure on the management. But the management respondents felt that bargaining has a much broader role apart from fulfilling the immediate economic gains of the workers. Unless the workers consider the organizational objectives and put in their very best by recognizing the functional relationship, the collective bargaining would not be successful. The capacity utilisation and labour productivity may not increase unless the workers change their minds and attitudes towards the role of bargaining.
CONCLUSIONS

The study revealed that collective bargaining has not been successful in Rourkela Steel Plant from the point of achieving organizational objectives inspite of the best efforts made by the management in this regard. This might be due to the attitude and 'exchange relationship' approach of the workers and their representatives towards collective bargaining and the hostile attitude of rival unions towards management at different times. Because of the absence of any legislative framework on bargaining in India, the management used to consult the recognised union only as an obligation to the Code of Discipline, 1953. It may be better if other unions are also associated before the agreement is finalised with the recognised union. This informal dialogue may reveal some new ideas which may be useful for the management in tackling the issues and the management may continue to have the support of other unions in this regard.

The Industrial Relations Bill, 1973 made an attempt for the recognition of trade unions in India. According to the Bill, a union would be declared as the Solo Negotiating Agent if it secures 65 per cent of the support of the employees and Chief Negotiating Agent securing more than 50 per cent but less than 65 per cent
of employees' support. If one union exists in one industry having the support of 40 per cent of the employees, it would get the status of Sole Negotiating Agent. In non-unionised plants, a Negotiating Committee would be formed to bargain with the management. But the Bill did not pass in the Parliament because of the change in the Government. Recognition of unions should be obligatory on the part of the management to facilitate collective bargaining.

To make bargaining meaningful, special emphasis has to be laid on training of both the management and workers' representatives; not only in the act of bargaining, but also in the act of human relations, so that there may be more effective inter-personal relations between labour and management. For this, frequent meetings may be arranged at the shop floor level so that both management and workers may exchange their views on issues affecting their interests. Training and more of formal and informal education among the workers may help in transplanting the culture of bargaining in the plant. This requires thorough overhauling of the present Workers' Education Scheme.

The parties on the bargaining table must retain flexibility to meet the challenge of the industry and society.
Bargaining should be more factual. This is the only way that accurate, acceptable and equitable decisions can be made. This may require amendment in Indian Companies Act, 1956 making it obligatory on the part of each company registered under the Act to make their annual reports more exhaustive as is being done in U.S.A. Emotionalism, intolerance and over indulgent self interest should have no place in bargaining.

The academic institutions should devote most of their time in conducting seminars/symposia on the basis of the applied research at the micro levels, giving scope for union leaders and the management personnel to participate. This may help in analysing the problems experienced at the micro level and necessary measures for eliminating the problems may be evolved out of the deliberations in the seminar. A permanent link between industry and university/institutions should be established so as to discuss the problems of common interests facing our industrial society today.

The organizational climate and the measures adopted in solving the industrial problems in the Western Countries should not be resorted to as a model for our country, as the environmental conditions are completely different in our country. The problems
should be discussed and approached in the light of our own experience so that a permanent solution could be evolved to make our schemes more meaningful and effective.

In short, collective bargaining must be considered an integrated management function. It calls for thorough preparation, intelligent planning and bold and fluid execution. From a solid platform of facts, the negotiators must venture into unexplored territory. Hence their judgement, while rooted in realistic common sense, must at the same time be positive, imaginative and flexible.