The development, allocation, utilization and conservation of human resources through their gainful employment is continuing inevitable process in any organization. The planning, direction and control of human being in employment is a function that must be performed diligently and efficiently, as the success or failure of every management endeavour is dependent upon the effective administration of personnel. Personnel management plays a significant role in the management and working of every organization. It provided leadership and direction of people in their working relationships. Personnel problems should not be thought of as something different or separate from technical problems. Both are in fact parts of a single situation that needs to be handled carefully. The success of the organization largely depends on the quality and strength of its personnel.

Today, personnel management has developed into a major function with a broad spectrum of activities concerned with the recruitment, training, assessment, selection, placement, development appraisal compensation and organisation. For the successful functioning of an organisation, the personnel department is required to provide a continuous supply of competent and well trained people at all levels.
**Personnel Management in Public Enterprises**

The future of an organisation is shaped by the care with which it plans for development and motivates its high talent manpower. This personnel planning in an organisation should receive key attention. Since the public sector in India holds a crucial position in the economy, it is of utmost importance to man these undertakings with fully qualified personnel who can perform their assumed functions effectively and efficiently and ensure protection of public interest along side commercial success is a vital issue involved in the management and working of our public undertaking. The need for building up competent personnel to man the top posts in public undertakings cannot be over-emphasised with the rapid expansion of the public sector undertakings, this problem will assume greater and greater importance. Public undertakings have special responsibility and purse personnel policies which can help, attract and maintain competent personnel at a reasonable cost and which will encourage added effort and initiative and give the employee satisfaction, a sense of participation and feeling of loyalty to the enterprise and provide for its achievements.

Taking into account rapid expansion of public sector in the country, several experiments are being made in the field of personnel management. The recruitment policy in public sector undertaking in India has been passing through several stage of evolution, even today our Government has not been able to decided a clear – cut policy on managerial personnel for public sector
enterprises and the area of selection of top management is still an unsettled issue. The following are some of the landmarks in personnel policies and practices in public enterprises.

(A) **Deputations in Public Enterprises**

The Chairman, Managing Director and other full time top managers mostly draw up to mow from Government service. Moreover, quite a significant proportion of them belong to the top Generalist Service – the Indian Civil Service or The Indian Administrative Service. In recent year, however, an increasing number of persons with technical or financial experience in Government have also been appointed to such position. The system has criticized on the ground that these deputationists come as “birds of passage” and have interests and loyalties outside the organization in which they serve.

(B) **Towards an All India Commercial and Industrial Service**

Public sector undertaking in fact, are to be run not by administrative service but by competent men from business, trade, commerce and industry men in whom the parliament and government have confidence and men who are to be judged by the results and by nothing else. Therefore, it was recommended that there should be a cadre of capable men drawn from business, commerce, industry and trade who have given good account of themselves in the various sphere of activities and state undertakings must be entrusted to them to be run
on efficient business principles and practices and this should be in the nature of an All India Service designated as “The Indian Commercial and Industrial Service”.

The idea of constituting an All India Service designated as the “India Commercial and Industrial Service” to provide candidates to man the high level and middle level posts in the public sector undertakings has not so far been realized. This has been opposed mainly on the grounds that such a service may not provide an answer to the requirements of managerial personnel in enterprises of varied nature. Besides, such a move on the part of the Government may also affect the operational autonomy of the enterprises which are required to operate on efficient commercial and business principals.

C. A Case for a Central Personnel Commission for Public Enterprises

In view of the increasing number of enterprises and huge investments in them, the creation of an industrial public service commission has been suggested in some quarters. The advantages of an independent body like Industrial Public Service Commission being associated with recruitment cannot be minimized. The idea behind the suggestion was that such a personnel agency if created, it was hoped, would remove the impression of extra-political aspects.
D. **Experiment of “Industrial Management Pool”**

The Government decision to constitute an Industrial Management service – All India Service, designated to meet the needs of all Government Industrial Undertakings was tried in a somewhat modified from when it created the Industrial Management Pool in 1957. The Industrial Management Pool new service to stable management posts throughout the public sector and separate to be recruited independently on its own lines by each enterprise. The main objects of the Industrial Management Pool Scheme was to build up a pool of officers with Industrial or Managerial experience for manning difference management posts in public sector enterprises.

E. **Empanelment Procedure**

The question relating to manning of top posts in public sector enterprises with special reference to remuneration terms of service etc, was considered by a committee of secretaries headed by the cabinet secretary. Panels of appointments were to be maintained by the Bureau of Public Enterprises under the supervision of the cabinet secretary. These panels include the names of experienced persons in different field in public enterprises, Government service including Industrial Management Pool, retired persons and outsiders.

F. **Public Enterprises Selection Board**

Public sector undertaking now enjoy more autonomy in respect of appointments to top posts, middle management positions, and other cadres. Appointments to all these posts will be decided by the Board of Directors of the
Individual Enterprises and the Appointment Committee of the Cabinet and Administrative Ministry will no longer be required to clear these appointments. The Government decided that recruitment, training and promotions in respect of the bulk of the managerial posts in public enterprises be delegated to the enterprises themselves.

Thus, several experiments are being made by the Central Government in this vital field of personnel management in public enterprises. Today, the trend is in the direction of providing more operational autonomy to public sector undertaking rather than desiring to have too much control in this functional area of management. Therefore, it is proposed to examine how the BHEL, one of the leading Public Sector Undertakings in the country has been striving hard to give a definite shape to its personnel policies and practices.

**Personnel Management in BHEL**

Personnel Management has great relevance in BHEL in view of its large size and complex structure. The corporate policy of the enterprises stated the following and important personnel objectives.

1) to evolve a participative style of management which will ensure good working conditions and job satisfaction to all employees, wages commensurate with their performance, career advancement and good will amongst all employees and respect for the human and material resources of the business.
2) to ensure continuous development of competent managerial personnel and make best use of both the human and material resources of the business.

3) to design an organizational structure with clearly enunciated objectives; and policies where freedom to function and flexibility to perform will be ensured for all in accordance with their abilities capacities, resourcefulness and initiative.

To achieve the above objectives, the personnel functions in BHEL, headed by a full time Functional Director, are organized to generate an increased sense of belonging and team spirit among the employee through the concept of Matrix Organisation at all levels, dovetailing suitably with personnel departments at units, The concept involves provisioning of opportunities to individuals for development from growth, while ensuring high standards in quality of service to the units. Accordingly each of the officers is assigned responsibilities for dealing with all matters of a few units, in addition to specializing in some functional areas for all units. The corporate personnel department discharge the following important functions which are

- to evolve policies on all aspects of human resources management in the company,
- to coordinate recruitment of personnel for all company cadres such as Engineers/Executive Trainees, and
- to monitor the administration of the company’s policies in the units and adopt such measures as would enable the company to achieve its corporate goals in the area of Human Resource Management.
Computers are being increasingly made use of in personnel activities at corporate level. Computerized bio-data of the employees is maintained by the Personnel Department both at corporate and unit levels. A centralized data bank and computerized statistics cell is established at the corporate personnel department, to provide the management with information relating to management, personnel and statistics as and when required for arriving at appropriate decisions. At the Unit level the General Manager (Administration) is in overall charge of all the functions related to personnel administration and the head of the personnel department reports to him. They are responsible for the effective administration of all the facts of the policies and practices of personnel management in the unit. To ensure that service is rendered by the department to all the functional groups to their satisfaction, personnel cells are headed by a coordinator who is responsible for coordinating all the personnel affairs related to this cell, in addition to making his expertise or knowledge in a specific function available to all other functional personnel cells. The Head of the Personnel Department in the Unit also has a functional relationship with the Director (Personnel) at the corporate level in all policy matters to ensure commonality of approach amongst in all the units on all matters.

The personnel manager performs a variety of functions. He acts as the eyes and ears of the General Manager. In addition to providing leadership to the personnel departments. He provides assistance to all functional heads in the organisation in all matters pertaining to personnel management.
The following are important functions performed by personnel department in BHEL.

**Manpower Planning:**

Manpower management is the procedure by which human resources are organized and directed in making their contribution to current social and industrial goals. In BHEL, there is a systematic planning of the manpower requirements and budgeting of the human resources with requisite qualification, skills, aptitudes, merit and suitability. This is done by advanced planning for manpower through rolling plans made on three years basis at the units, the manpower committee prepares manpower budget of the enterprise.

**Recruitment**

The guidelines issued by the Government as India constitute to be the basic for recruitment at BHEL. In the case of all unskilled workers, even without any special effort they are generally drawn from the locality. In case of skilled workers, clerks, and other non-technical staff, possession of minimum qualification is considered adequate and they are appointed subject to other conditions of eligibility and reservation of posts. In case of middle level technical and non-technical posts, on par with Government of India class I and junior scales, recruitment is made on all India basis, merit and qualifications being the main criteria. In the case of higher non-technical posts of E1 and E2 level candidates available in the industrial management pool are considered first. Failing such candidates, recruitment is done on All India basis all vacancies at lower levels are referred to employment exchange in the area. The selection committee setup recruitment to all middle or higher technical posts should include at least one representative of the state government. The
Executive Director can make the urgent adhoc appointments. In the beginning BHEL has made recruitment to following positions:

a) Trade apprentices for the post of artisan grade A, B, and C.
b) Draughtsman
c) Technical apprentices for the posts of Asstt. Foreman and Foremen.
d) Junior Supervisory staff
e) Graduate Engineers to be absorbed as officers or engineers.

The sources of recruitment go various positions are considerably wide which are:

- from employment exchanges as per the provisions of Employment Exchange Act, 1959.
- from the open market through the advertisement in the press.
- by considering department candidates possessing the specified requirement.
- by absorption of deputationists from the central or state government and other public sector undertakings.
- by making reference to recognized associations and agencies who maintain rosters of suitable persons in different skills and specialties for promotion of the interest and welfare of the scheduled casts, scheduled tribes, ex-servicemen and other similar categories.

**Promotion**

In BHEL the polices on promotion are issued by the corporate office and its is found to be a clearly defined, concise and positively with a view to avoid diverse promotions periods, all the promotions are coordinated and
administered on a stipulated date. Such a data is announced every year by the corporate personnel department. Generally, promotions take place in April or May every year, when a clear appraisal is expected to be available for the years performance also. For promotions in the executive cadres, merit constitutes to be in main criteria. Service and performance in the grade is evaluated and irrespective of whether one is a degree holder or diploma holder, consideration for promotion will be based on one’s performance and duration of service and not mere by one’s educational attainments.

**Training**

There is a separate full fledge training division aimed at imparting and upgrading the technical skills. The training division developed its own facility by deputing them for training to professional institutes like National institute of Training in Industrial Engineering, Indian Society for Applied Behavioural Sciences for programmes like training techniques and human relations etc., The enterprise also organises similar programmes for the benefit of internal faculty. Supervisory development programmes are conducted regularly with a view to develop core faculty in training technology. The enterprises also organise specialized programme like MBO, career planning, computer appreciation, general management programme for the middle level managers and production management, and production planning and control, PERT & CPM and Behavioural Science oriented programmes like sensitivity training or laboratory training for personnel growth, inter-personal relations and team building and communications.
Industrial Relations

The Industrial relations wing in BHEL is a part of the personnel department. The wing is headed by joint personnel manager. He is responsible to maintain cordial industrial relations within the enterprise. The manager is assisted by an industrial relations officer and a Labour Welfare Officer. The industrial relations officer is primarily responsible for the relations between the management and employees who are represented by the recognized union and acts as liaison between them. He arranges for the industrial relations meetings at the shop level, Heads of department level and General Manager level. He fixes industrial relations meetings between the managements and the recognized union after getting agenda. The minutes of the meetings are circulated by him and the decisions taken in the industrial relations committee meetings are followed up by him for implementations. He also represents the management at the conciliation meetings before of the conciliation officer and also deals with the disputes before the labour courts.

Industrial Safety

The safety engineer is responsible for the following:-

- Providing and instituting safety procedure and observance of the same for all manufacturing and process centers.
- Recommending protective equipment and safety devices.
- Providing for safety posters and carrying of safety educational classes in safety measures for the workers and operators and also disseminating broachers and write-up on matters pertaining to safety precautions.
He is primarily responsible for the prevention of accidents in the factory. He is associated by one Technician and one Junior Technical Assistant and also a painter. The Labour Officer is responsible for the welfare activities in the factory and in the township. He is also in-charge of the two canteens, one outside the factory for the staff and the other in the factory for the factory workers. He is also associated by a Labour Welfare supervisor and one canteen supervisor and a few ministerial staff. For the prevention and settlement of day-to-day problems between the management and labour unions a three-tier machinery exists in BHEL. The first tier at the shop level wherein the problems are discussed between the concerned shop superintends and the representative delegates of the concerned shop. The meeting is also attended by the Industrial Relations Officer of the personnel department. In this meeting the matters under the jurisdiction and competence of the concerned shop superintendent or departmental officers are discussed and settled and the matters on which no agreement is arrived at are brought up by the union in the meetings at the second tier or third tier.

The second tier of the machinery is at the level of Heads of departments and representatives of the recognized union. These meetings are held once in a month. The subjects which are discussed in these meetings are those which relate to the general issues pertaining to the common problems of the various blocks in the factory.

The third tier of the machinery is at the level of the General Manger, the Heads of departments and the President, General Secretary and representatives
of the recognized union. The subjects which are discussed in this meeting relate to important policy matters which require the sanction and approval of the General Manager. With the above machinery in existence, the industrial relations in BHEL have been very fair and contributed to the smooth running of the industry. Another tremendous achievement made by the BHEL as a whole is a settlement on wage revision for its workers numbering about 73976 engaged in all the units of BHEL. Anticipating the demands that would arise form the employees regarding wage revision, the BHEL management had set up a joint committee to formulate the revised and rationalized wage structure common to all units.

The joint committee in addition to representatives of the union at the unit level consist the leaders of the central trade union organizations. It was observed that both the management and workers representatives were satisfied with the existing machinery of industrial relations. There has been a great similarity in the opinions of the union office bearers irrespective of their ideology and recognition status. The discussions held with the union leaders revealed that by and large the management has been very response and positive in their attitude and approach in resolving employees, problems. Trade union leaders expressed their satisfaction regarding the existing industrial relations machinery. On its part management has been taking swift decisions to carry out the decisions of joint committee and ensure the establishment of a climate of trust and confidence. Apart from the above, the present study high lightened certain problems which were involved in the present existing industrial relations machinery. The first and foremost lacuna pointed out by management was the
inadequate staff which had to perform multifarious duties under various laws. Further, management advocated that the lack of awareness about the various provisions of the laws was pointed out to be a major handicap in the follow-up action to be taken by the workers at the plant level.

On the other hand, the unionists disclosed that labour laws were frequently violated and infringements were rectified after a great deal of time concern over the necessity of amending the existing law and introducing some sensible provisions regarding union recognition and collective bargaining. They were of the view that adjudication has been getting costlier day by day and it was gradually going out of their reach to cope-up with the ever mounting costs involved in the process.

**Grievance Machinery**

There is hardly an industrial concern which functions without any grievance of employees at all times. In some concerns, the employees have common complaints against their employers, while in others; it is the employers who have a grievance against their employees. Broadly speaking, a complaint effecting one or more workers constitute a grievance. The complaints may relate to promotion, pay fixation, payment of wages, leave interpretation of service agreements, working conditions, seniority, transfers, work assignments, discharge or dismissal or a complaint against a foreman, against the quality of the plant or the parts unused in it, against machinery. Generally, a grievance is
any dissatisfaction that adversely affects organisational relations and productivity. The term “Grievance” is used to designate claims by workers of a trade union concerning the workers individual or collective rights under an applicable collective agreement, individual contract of employment, law regulations, works rule, custom or usage, Such claims involve questions relating to the interpretation or application of the rules concerned.

An employee is dissatisfied and harbours a grievance when he feels that there has been an infringement of his rights, that his interests have been jeopardized and that his due claim have been overlooked. This sense of grievance generally arise out of a misinterpretation or misapplication of company policies and practices. Calhoon observes grievances exist in the minds of individuals are produced and dissipated by situations, are fostered or healed by group pressures, are adjusted or made worse by supervisors, and are nourished or dissolved by the climate in the organisation which is affected by all the above factor and by the managements.

**Evolution of grievance machinery in India**

The following section discusses the evolution of grievance machinery in India. In large undertakings a common type of grievance procedure involves successive steps at different levels a workers grievance being first discussed with the immediate supervisor, and them if no solution is found with higher levels of management. The number of levels and steps in the procedure usually increases with the size of the undertaking. Sometimes, when an important question of principle, which would involve a number of workers is concerned the matter may go directly to a higher level of management. Under some
procedures, bipartite or Joint Grievance committee within the undertaking here grievance when they have been considered at lower levels at a number of earlier stages in the procedures. A settlement reached jointly by the worker and management representatives at any level is generally regarded as final and binding on the parties.

Till the enactment of the Industrial Employment (standing orders) Act 1964, the settlement of the day-to-day grievance of workers in India did not receive much attention in the legislative framework. So, all the industrial units did not have any machinery for redressal of grievance, and when day-to-day grievance piled up, the accumulated discontent of the workmen often culminated in the industrial disputes. The matter regarding the formulation of a grievance procedure was therefore, referred to the 15th session of the Indian Labour Conference, 1957 which accepted the code of discipline. It specially laid down that management and unions will establish upon a mutually agreed basis, a grievance procedure which will ensure speedy and full investigation leading to settlement. The guiding principals, which were evolved under the code for this purpose and the Model Grievance Procedure for adoption by the parties, were settled in a Tripartite Committee is September, 1958. The Model Grievance procedure has three important principals viz., (a) settlement at the lowest level (b) settlement as expeditiously as possible (c) settlement to the satisfaction of the aggrieved.

Like justice, grievance must not only be settled but also seem to be settled in the eyes of the aggrieved. The model Grievance procedure has a three tier system for settlement of grievances at the level of the immediate supervisor,
departmental or factory head, and a bipartite grievance committee representing the management and the union with the provision for arbitration or appeal to the organisation head with a specified time limit for the resolution process.

The procedure has successive time-bound steps, each leading to the next step in case of lack of satisfaction under the procedure, an aggrieved employee would first present his grievance verbally to a designated officer who would give a reply within 48 hrs. In case the worker is dissatisfied with the decision or fails to get an answer within the stipulated time, he would personally or accompanied by his departmental representative, present his grievance to the head of the department. If the department head fails to give a decision within three days or if the decision is unsatisfactory, the aggrieved worker can seek relief through the grievance committee, consisting of nominees of management and workers. This committee would communicate its recommendations to the manager within 7 days of the grievance reaching it. If recommendations are not made within this time, the reasons therefore would be recorded, and if the unanimous decision is not possible, the relevant papers would be placed before the manager for decision. The Manager is expected to communicate his decision within three days.

The worker would have a right of appeal to higher authorities for revision of the managers decision. All such appeals have to be decided within 7 days of the workers petition. The worker, if he so desires, would take a union official with him for discussion with the appellate authority. In case of failure to settle the grievance even at this stage. The union and the management may refer
to the voluntary arbitration within a week of receipt of the management's final decision.

**Grievance Machinery in BHEL**

With the object of providing employees an easy and readily accessible machinery for the ventilation and prompt redressal of their day-to-day grievance, a mutually agreed grievance procedure is adopted. This grievance procedure may be availed by workman or employees of all the departments. This will not cover trainees or apprentices. The Grievance committee consisted of two representatives of the management and two representatives of the recognized union. Deputy General Manager (Production) or his nominee and chief personnel manager will be the management representatives on the Grievance committee. Two representatives of the recognized union will be nominated by the recognized union.

**Scope**

Complaints effecting one or more individual employees in respect of their wage payments, overtime, leave, transfers, promotion, seniority, work assignment, working conditions, interpretation and implementation of service agreements, welfare amenities etc., constitute grievance where the points at dispute are of general applicability of considerable magnitude and where policy matters are involved, they will fall outside the scope of this procedure. In case of any grievance arising out of a discharge or dismissal of workman or employee, this grievance procedure shall not apply. Instead, discharges or
dismissed workman shall have the right to appeal to the dismissing authority or to the appellate authority.

**Various Stages of the Grievance Procedure**

**Stage I**

The aggrieved employee or workman shall first present his grievance in person to the foreman concerned within one week from the date of occurrence of the grievance. All such grievances will be entered in a grievance register maintained, in the prescribed form, by the said officer, who will give reply to the employee or workman within seven days of the date of receipt of the grievance.

**Stage II**

If the employee is not satisfied with the decision of the officer or fails to receive an answer within the stipulated period, he will either in person or accompanied by his departmental representatives of the recognized union, present his grievance in writing to the shop manager or senior engineer. For this purpose, fixed hours will be specified during which on any working day, an aggrieved employee or workman could meet the said officer for presentation of his grievance. The said officer will give his answer in writing within 7 days of the presentation of grievance. If action cannot be taken within that period reasons for the delay should be recorded.
**Stage III**

If the discussion of the shop manager or senior engineer is not satisfactory, the aggrieved employee or workman may request the shop manager or senior engineer for forwarding his grievance to the chief personnel manager, who has to communicate the reply with 7 days from the date of receipt of his grievance.

**Stage IV**

If the reply of the Chief personnel manager is not satisfactory, then the aggrieved employee or workman may request for forwarding his grievance to the Grievance Committee which will make its recommendations to the General Manager within 10 days of the employees request. If the recommendations cannot be made within this time limit, the reason for such delay will be recorded. Unanimous recommendations of the Grievance Committee will be implemented by the management. In the event of difference of opinion among the members of the grievance committee, the view of the members along with the relevant papers will be placed before the General Manger for final decision. In either case, the final decision of the management will be communicated to the employee concerned by the chief personnel manager within 5 days from the receipt of grievance committee recommendations.

**Stage V**

The aggrieved workman or employee; has right to appeal to the General Manager for a revision of final decision of the management. In making this appeal, the employee if he so desires, will have the right to take a union official
along with him to facilitate discussions with the General Manager. The General Manager or the person designated by him will communicate the decision within a week of the employees revision petition. If no agreement could be reached the union and the management will refer the grievance to voluntary arbitration. Where a workman or employee has taken up a grievance for redressal, under this procedure, the formal conciliation machinery will not intervene till all steps in the procedure are exhausted. A grievance will be presumed to the form of dispute only when the final decision of the General Manager in respect of the grievance is not satisfactory to the workman or employee.

If a grievance arises out of an order given by management, the said order shall first be complied with before the workman or employee concerned invokes the procedure laid down for redressal of grievance. However, there is a time lag between the issue of order and its compliance, the grievance procedure may immediately be invoked but the order nevertheless must be complied with on the due date even if all the steps in the grievance procedure have not been exhausted. The union representatives on the grievance committee will have the right of access to any document relevant to the enquiry and reference to which may be necessary to understand the merit or otherwise of the workers or employees grievance. The management representatives will have the right, however, to refuse to show any document or give any information which they consider to be of a confidential documents however be used against the employee in the course of the grievance proceedings.
There is a time limit within which an appeal may be preferred from one stage to other. For this purpose, the aggrieved workman or employee will within 72 hours of the receipt of the decision at each stage (or if no decision is received, on the expiry of the stipulated period) file his appeal with the authority at the next higher stage, should he feel inclined to appeal. In calculating the various time intervals under the above claws, holidays will not be reckoned.

But most of these grievance were settled at the level of stage I. Few other grievance were settled at the level of Stage II and very few grievances were settled at the level of stage III. The present study highlighted that most of the grievance at the committee level settled through the process of conciliation. Other grievance settled through adjudication and arbitration. The following table indicates the mode of settlement of grievance.

It was observed that most of the grievance in case study unit pertained to the seniority followed by the promotion, pay fixation, financial benefits, house rent allowed and leave facilities. There is a strong institution base for resolving the grievance in the unit. The Grievance Redressal procedure adopted by the unit is successful in settling the grievance in the enterprise. It was found that existing grievance machinery has aroused a cordial atmosphere in the undertaking for harmonious industrial relations. The management and trade unions are cooperative with each other in resolving the grievance the main thing is that it is not the procedure or the number of subject that are dealt with by the organisation but be that wherever a grievance procedure is followed. There should be definite time limit set for the supervisor according to which he has got
to give a reply within the specific period and not only give a formal reply but he should see that it is implemented so. The grievance procedure adopted in the case study unit fulfills all these requirements.

**Service Conditions and Unionism**

Industrialization no doubt has brought new opportunities for workers both in the public as well as private sector, but at the same time it has also brought new problems. It has not only contributed to economic and scientific development, but also at social and psychological stress and strain. Therefore, these factors automatically bring out a question of what measures have these industrial societies and their industries have taken to relieve this stress and strain and work for social welfare of those people who are working in the industries. The concept of welfare is necessarily dynamic bearing, a different interpretation from country to county and from time to time and even in the same country according to its value system, social institutions, degree of industrialization and general level of social and economic development. Labour welfare initiates efforts to make life worth living for workers.

Service unions throughout the world have become a force and have come to occupy a strategic position in the country’s industrial set up. Service unions force management to think through its problems more carefully, knowing that it must justify its decisions. The very fact that unions have been a continuing pressure group has compelled management to look more carefully to the question of productivity, efficiency and technological change.
The experience in both public and private sectors reveals the fact that the main cause of labour unrest is the lack of proper dialogue between the employees and the management. Employee unions represent an extension of democracy into the economic sphere. Since management essentially consist of getting things done through the efforts of other people, the type of relationship existing between people in an enterprises is the most important single factor in determining how effective that enterprises is. Adequate arrangements have to be made by making provisions to take care of the employees during the different stages of their association right from recruitment to their leaving the organisation by way of catering to their physical, mental and social needs. A large portion of employees deal with management through their unions which represent the special interest of their members Unions establish and maintain a special structure in industry in which individual employee gain recognition and status and feel an increased degree of personal security.

Organisation setup and personnel policies considerably determine employee – employee relations and consequently morale which have a direct bearing on organisation efficiency. It is possible to harness the willing cooperation of employee if the right organization prevailing with policies and procedures well defined. Labour welfare especially in industries is that aspect of personnel management that deals with the physical, psychological and social well-being of the worker. That is why labour welfare policies and programmes seek to bring about better employee-employer relations. The following sector discuss unionism in public enterprises.
Unionism in Public Enterprises

The maintenance of good labour-management relations is necessary for sustaining and developing high levels of production. An efficient personnel department adequately staffed with trained and experienced personnel would go a long way in improving the labour-management relations in public sector undertakings. With the growing size of industrial and commercial enterprises the body of workmen in these establishments became necessarily large and the relationship between the management with the general rank and file of workers became gradually a remote nature. In keeping with this rapid expansion the employees of public sector undertaking formed themselves into a strong and vocal groups, so that the attention of the public sector management was pointedly drain to the problems concerning to the safety, welfare and economic prosperity of their brethren and satisfactory solutions obtained.

The committee on public undertakings considered that public undertakings as national assets and there is no room for a class struggle in these undertakings. It should also be the purpose of the Government to see that the personnel policies of public undertakings are oriented to ensure efficient and economic management of the undertakings and to ensure good labour relations. This would help to keep the undertakings free from public criticism. The Estimates Committee expresses the hope that well-staffed personnel departments in all public sector undertakings and constant guidance from the Ministry of Labour will improve the successful implementation of labour laws.
One of the most crucial inputs that tends to influence the productivity of public sector undertakings is the “Human side of the Enterprises” unless and until the entire labour force and the management are properly motivated to perform their jobs in an efficient manner, the performance of public sector undertakings may not improve. The human side of enterprise in any organisation needs careful attention. The Administrative Reforms Commission has expressed concern over the increasing number of strikes in some of the public sector undertakings. The Committee on Public Undertakings also observed that labour-management relations in the number of public sector undertakings are not cordial. There have been frequent strikes, work stoppages, lockouts, etc., and considerably loss in production and value. Thus, in view of the importance attached to the public sector in India, the high investment and employment init and its aim of proving the image of a model employer, the study of labour management relations of this sector assumes special significance.

The responsibilities of providing the welfare facilities and amenities to the workers rests with the respective employers. But most of the employees try to comply with the statutory compulsions in the letter instead of complying with them in the spirit. It is only the progressive employees who go beyond the statutory limits in providing welfare amenities, facilities and services for the benefits of their workers. Originally labour welfare was conceived as humanitarian approach to labour. But with the advancement in industrialization, labour welfare came to be regarded as a means of increasing production of attracting labour with high productivity and of winning their loyalty to the firm.
The concept of labour welfare again underwent a change with a wider acceptance of democratic principles and the welfare state. It has come to be accepted as an essential feature of employment and working conditions. The workers everywhere demanded welfare facilities and amenities as a matter of right. The need for providing welfare activities for the workers hardly received attention in our country in the early stages of industrialisation. Employees were not generally inclined to accept the financial burden on account of welfare activities. The government has to intervene using its persuasive and legislature powers. The Factories Act 1948, provided for some amenities in respect general health, safety of the workers. Later Government started envisaging interest in welfare programmes and introduced schemes for labour welfare in their factories.

**Unionism in BHEL**

Under democratic institutions what one gets universally in one form or the other in the free organisation of labour, into trade unions. Depending upon the ideology and political affiliations, the number of trade unions have increased over the years and they have practically/developed into competing centers. A heavy responsibility is cast on the management to develop labour relations system fully taking into account the existence of trade union competition. The BHEL is no exception to this situation consists of multiple trade unions. All are registered trade unions in BHEL. The various trade unions, associations exist in the enterprise to look after employees welfare and service conditions.
The BHEL Hyderabad Unit was divided into two units viz., Heavy Electrical Equipment Plant and Switch-Gear Unit. These Units were governed by different trade unions. In Heavy Electrical Equipment Plant, there are 10 trade unions and all are registered. The following table reveals the different registered trade unions in Heavy Electrical Equipment Plant. The above two recognized union have been playing a crucial role in protecting the interest of the workers. Apart from the trade unions, All BHEL Workers Association and Management Association have also been playing an important role in protecting their own interest. It was observed that there is not much scope for the inter-union rivalry in BHEL Hyderabad Unit. It is due to the fact that majority of the trade unions are affiliated to the INTUC in both the units.

The Trade Unionism is very powerful in BHEL. As true to its very purpose and objectives, demands were raised from time to time by the recognized union., which were settled to a large extent. The demands, are largely pertaining to regularization or NMR or work charged employees, absorption of civil engineering staff. Enhancement of wages to work charged NMR staff, Departmental promotions for various categories of employees, Revision and rationalization of pay scales, Holidays, Leave rules, Medical facilities and Recreation facilities etc., From time to time employee unions have been raising their demands pertaining to matters which have a bearing on their service conditions, living conditions, welfare and safety measures. Several agreements which were entered into between the management and representatives of recognized unions in the areas of absorption of NMR or work charged employees, promotions. Payment of House rent allowance and city
compensatory allowance, overtime allowance, filling up the posts by departmental candidates. Absorption of Apprentice Trainees, Reduction of working house, Revision of pay scales in respect of certain categories of workers, Reduction of working hours to the Administration staff, increase of casual leave to industrial workers, Dearness and other allowances and revision of wages for daily rated and casual NMR and work charged employees. since early 1960’s to present day. The Appendix I presents list of agreements reached between management and unions.

It is observed that management of BHEL has been enjoying excellent cooperation from labour barring few stray incidents. BT and large, management, has been very sympathetic and considerate towards the employees demands. Most of the problems were settled across the table through discussions, negotiations and dialogue rather than through confrontation or show of strength. Several agreements signed between the two are a clear indication of the cooperation and understanding between the management and employees.

**Welfare Measures in BHEL**

The management of the BHEL has been proving various welfare facilities to employees in addition to the requirements of the workmen compensation Act 1923, the Employees State Insurance Act 1948 and the Employees Provident Fund Act 1952. The welfare amenities in BHEL can be classified into tow heads viz., statutory and non-statutory.
1. **Provident Fund:**

A new entrant compulsorily becomes a member of BHEL Employees Provident Fund from the beginning for the month following that which completes 120 days of continuous service under the Provident Fund Act an employee is required to contribute at the rate of 8.33 percent of pay plus D.A. to the Contributory Provident Fund (C.P.F) company makes a matching contribution.

Members are entitled to get the full company’s contribution after contributing a minimum period of seven years service. However, officers on contract basis, do get the full amount of company’s contribution at the termination of their contract service with the company, irrespective of their period of contribution.

2. **Gratuity:**

All the employees of BHEL drawing Rs. 10,000 and above are governed by the BHEL Gratuity Rules. BHEL Gratuity Rules provided for payment of gratuity in the case of death while in service even before eligibility period. BHEL Gratuity Rules made provision for maximum ceiling limit of Rs. 30,000 on the total amount of gratuity payable to an employee. Gratuity shall be payable to an employee on the termination of his employment after he had rendered continuous service of not less than five years (a) on his superannuation, or (b) on his retirement or (c) on his death, or disablement due to accident or disease. Gratuity equal to 15 days wages for every year of service.
subject to a maximum of 20 months wages or Rs. 30,000 whichever is less, is payable to an employee.

(1) **Medical and Public Health Services:**

All employees BHEL are eligible for free medical aid. Bharat Heavy Electricals Ltd., organization has got a fully equipped hospital attached to its township. There is provision for every modern specialization in the hospital. To elaborate this point a little further, it may be stated that there is a surgeon, a fully qualified Anesthetist, with operation theatre with modern equipment under his control, a Gynecologist, a Physician, an Ophthalmologist and also a Dental Surgeon in the BHEL hospital. An employee of the BHEL Company can avail modern facilities available in the hospital under the ablest care of the above specialists. Presently, the hospital consists of 260 staff members and 160 beds. The employees who are not residing in the township of BHEL and residing in various parts of the city are at liberty to go to any medical practitioner in the city for availing medical help. The annual budget for the hospital is Rs. 50 lakhs, out of which Rs. 15 lakhs are spent on procurement of medicines. The amount incurred in this direction by them would be reimbursed by the company provided the medicines used are reimbursable as per the Government list.

3. **Canteen Services**

BHEL is having two canteens, one for administration staff and other for the Factory workmen. The latter is situated within the factory premises and called works canteen. No doubt the provision of canteen facilities is according to the provisions of the Factories Act. While it apart, both the staff canteen and the works canteen are provided with latest modern electrical equipment. For,
example there are electrical segarees which is useful for preparing vegetables, sweets and snacks, there is a boiler pan (Non-pressure type) which is useful for boiling rice and for tea and coffee mixing. With the modern kitchen electrical equipment the required neatness and quick service could be ensured. With help of this modern electrical equipment, meals and other food materials are prepared very quickly and supplied to its employees at a subsidized rates. It is a matter of interest to write that even in these days where prices are all time high, a plate of idly is supplied to the employees for only 0.15 paise and plate meals is supplied only at the rate of 0.70 paise in the staff canteen and at the rate of 0.50 paise in the works canteen.

**Non- Statutory Welfare Measure**

1. **Staff Benefit Fund**

   The management has started a scheme of staff benefit fund. The management has sanctioned Rs. 10,000 just as grant and all the employees below the officers level are eligible to become the members of the staff benefit fund. The members of the fund are required to contribute only 0.25 paise a month. This is also arranged to be recovered from their monthly salaries in the pay bill itself. This fund is managed by a committee and the committee is authorized to sanction money to the members of the fund for the purpose of educating the children of the members of the fund for the payment of their fee, for the purchase of books, for the sickness of the member himself, etc., when the members of the fund is found to be in distress, when his house is being burnt or any such natural calamity, the committee is authorized to provide an
assistance to the tune of Rs. 30,000/- this being a maximum to the members of the staff benefit fund. There are nearly 3,500 employees who have become the members of the staff benefit fund. Efforts are being made to persuade the eligible employees to become the members of the fund.

2. Death Relief Fund

The BHEL management has started another fund called Death Relief Fund in 1972. All the employees of the BHEL right from the General Manager down to the unskilled worker of the Factory are eligible to become members of the Death Relief Fund. On becoming a member of the fund, one rupee is deducted from his salary and thereafter one rupee is deducted from his salary and thereafter one rupee is deducted from every member of the fund. There are nearly 10,500 members as on today on the rolls of death relief fund. If any employees who is member of this fund dies, If any employees who is member of this fund dies, his heirs may be given immediately Rs. 31,000/-. By this, the bereaved members of the family need not wait for the money is due to them towards provident a fund, gratuity and other terminal benefits. Contributing one rupee by a member is nothing for him. But all contribution put together giving to the bereaved members of the family of one late member is a substantial relief. This is thus, a very good welfare measure. Another advantage of this fund is, it could be immediately given to the heirs with no lapse of time.

3. Group Insurance Scheme

With a view to providing the most essential financial security to the families of employees in the event of death while in service of the company
BHEL takes great pleasure in introducing the Group Insurance Scheme of LIC under which the life of every full-time employees of the company will be insured for amounts as given below and the premium is paid by the company. The entire cost of premium will be borne by the company and the employee will not be called upon to make any contribution towards premium. All employees are covered under the Group Insurance Scheme of the LIC.

4. **Housing Facilities**

Regular employees with not less than 5 years service are eligible for the grant of advance for construction or acquisition of a house or flat. In the case of ready built houses the agency offering for sale should be Government, semi-government or an autonomous institution. Advance not exceeding Rs. 25,000/- can also be granted for enlarging living accommodation in a house owned by the employees. The advance is restricted to 75 months pay plus D.A or Rs. 1,00,000 or 80% of the cost of house which ever is the least. It is further restricted to paying capacity of the employee which is taken at 40% of pay plus D.A. All advance together with interest thereon is recoverable in equal monthly installments within a period not exceeding 25 years. The advance shall carry simple interest at the rate notified from time to time.

5. **Advances**

The Bharat Heavy Electricals Ltd., company is earmarking a certain provision in its budget towards the grant of car advance, motor cycle/scooter advance and bicycle advance. Every employee whoever is in receipt of Rs. 250
per month and more, as basic pay is eligible and they will be granted scooter advance on the basis of seniority subject to availability of the funds within the budgetary limits. Each individual applicant is granted to a maximum of Rs. 3,000/- towards scooter advance and interest at the rate of ten % is charged thereon. The recovery can be made in sixty equal installments unless otherwise the individual applicant requests for reduction in instatements less than sixty. In the similar way some amount is earmarked every year for the grant of car advance, every employee is eligible but the criterion is ability to pay. Therefore, normally employee of officers level are granted car advance is 12 months basic pay of individual employee subject to a maximum of R.s. 16,000 which can be recovered in eighty installments. The same interest as that of scooter advance is charged on this amount. Likewise, some amount is earmarked in every year budget for the grant of bicycle advance of Rs. 200 the amount is recoverable in twenty easy installments.

Apart from the above facility, there is a provision for allotment on priority basic from the Government quota, for the motor cycle/scooters and cars for the employees of Bharat Heavy Electricals Ltd., Every year, the applicants who requests for the allotment of most cars or scooters on priority forms, and those applications are forwarded to the Ministry, Government of India and they are allotted in their turn. By this method, Bharat Heavy Electricals, Ltd., employee are getting scooters and cars from Government quota at fairly reasonable Government rates.
6. **Leave Travel Concession**

All employees of Bharat Heavy Electricals Ltd., irrespective of their pay range and pay scale are eligible for leave travel concession. Every employee is asked to declare his home town to which he is required to visit every year for discharge of his religious obligations and where their parents and kith and kin live at the time of his joining the organization. That particular employee can visit that particular home town and for such a visit once in two lock years and he is eligible for leave travel concession irrespective of its distance to the home town.

7. **Educational Facilities**

There are four schools in the BHEL township which cater to the needs of education for the children of its employees. One is zilla parished High School in Telugu medium. The company itself has provided a building and also furniture to an extent. There is one Higher Secondary School (with Central School Regulation and Rules) in English medium. Majority of the children of the employees are having their schooling in this school. There is one MISSIONARY SCHOOL in English medium. The management of this Missionary school have a proposal to make it exclusively for girls. There is also one Kindergarten school called Geetanjail. In this school, medium of instruction is in English at the level of lower and higher KGs. For higher studies employees may either be sponsored by the company study leave subject to certain eligibility criteria. If sponsored by the company, employees will execute a bond the period and amount of which depend upon the period and place of
study or training, if granted study leave, the bond is normally 3 years or Rs. 10,000 in lieu thereof. Minimum service for grant of either is normally 3 years including training apprenticeship in the company. With the above educational facilities, the employees of the Bharat Heavy Electricals Ltd., are quite satisfactory.

**Other Facilities**

There are two clubs in the BHEL township for its employees residents. One is called BHEL club and other is called International Club. Every employee can become a member by giving a subscription of 0.50 paise every month, of the BHEL Club and there is a big building constructed by the company itself for the club facility with a big auditorium, so that dramas, dance performance and such other cultural activities could be arranged in the auditorium. There is a scope left also for a open air theater. This facility could be used in the summer. There is also a Library attached to the BHEL club and every member could make use of this Library facilities. So far as International Club is concerned, all the officers could become members. One good library and also a bar is attached to the club. Another attraction of the International Club is the swimming pool, which may perhaps be of its kind in the whole of twin cities with its modern system of outflow and inflow of the water of the a swimming pool. In the BHEL, township attached to its factory there is an ample playground available. With its vast scope for encouragement of sports and games by BHEL management there are football and hockey grounds, volley ball, basket ball, and badminton courts. BHEL management as a matter of policy recruits some good
players in each of these games and encourage them to improve their talents in sports and games.

**Safety Measures in BHEL**

Safety of workers for prevention of accidents assumes importance in a factory like BHEL where high sophisticated and complex nature of machinery is being used in manufacturing process. For this work, there is an Industrial Safety Committee and shops Safety Committee for which the Safety Engineer is the Convener. The duties of the Safety Committee are as below:

- Proving and instituting safety procedures and observance of the same for all manufacturing and process centers.
- Recommending for protective equipment and safety devices.
- Providing for safety posters and carrying out safety educational classes in safety measures for the workers and operators and also disseminating brochures and write-ups on matters pertaining to safety precautions.

In order to fulfill all these functions the committee meets once in a month to review reports of accidents, study safety suggestions, discuss training arrangements, organize refresher courses and draw up recommendations for new, improved safety measures. However, the committee work certainly deem not end there. Each meeting is carefully minutes and all suggestions are immediately implemented. At regular intervals, a member of the committee visits factory departments to identify unsafe working conditions and practices, and suggest corrective measures. Though the organizational set up of the safety committee differs marginally from each other, the structure of a typical safety committee at BHEL basically follows the pattern outlines below.
## Composition of the Safety Committee

<table>
<thead>
<tr>
<th>Position</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deputy General Manager (Production)</td>
<td>Chairman</td>
</tr>
<tr>
<td>Deputy Manager (safety)</td>
<td>Secretary</td>
</tr>
<tr>
<td>Personnel Manager</td>
<td>Member</td>
</tr>
<tr>
<td>Manager (Services)</td>
<td>Member</td>
</tr>
<tr>
<td>Chief Medical Officer</td>
<td>Member</td>
</tr>
<tr>
<td>Representatives of Industrial Workers</td>
<td>Two Members</td>
</tr>
</tbody>
</table>

It is noticed that safety at BHEL follows a definite pattern a systematic, logical process, calculated to install the maximum appreciation of safety in its workers. The following table reveals the analysis of the accident data from 1981-87 in various production shops. The overall study reveals that management of the BHEL have evolved very comprehensive employee welfare programmers covering both workers as well as officials. Management as well as trade union leaders expressed their satisfaction in this regard. Because of the care that is being taken by the management, work stoppages have been very few. Thus, human side of enterprise is being taken care of by the management with utmost care.
Workers Participation in Management

With the rapid growth of socialistic and democratic ideas, workers participation in management became a popular slogan in the fast developing countries all over the world. The national goals of democratic socialism aiming at reducing inequalities in different walks of life and ensuring a minimum desirable standards of living through democratic and peaceful means. It can be attained through the optimization of production of goods and services and it is possible through creation of democratic atmosphere at the place of production. The responsibility for optimizing productivity falls squarely on the shoulders of workers and management. Mere wage increase no longer suffices, what is needed is a human engineering approach to solution of human relationship problems. It is possible through the system of participative management at all strata on the basis of equality and mutual respect for specific and rightful role of both labour and management in industry. In a structure of political democracy every adult has an equal opportunity for participation. Labour should no longer be regarded as “commodity value” that is to be brought in maximum use, replaced periodically and discarded when damaged. It is the human factor which will determine the final productivity of the enterprises. Thus, the vital role of workers and importance of his participation in management practices is clearly recognized. The system of workers participation in management has been discussed and debated quite extensively in the past many years and also adopted in several countries and industries in different forms. The form and connotation of the terms vary according to the socio-economic goals of a particular country.
But management experts and executives look upon it as a tool for improving the overall performance of an enterprise, for them, it means that workers are given an opportunity to take part in those decisions which affect their wages, their working conditions, their vary jobs, and this participation paves the way to harmonious industrial relations in an atmosphere which is conducive to increasing productivity and efficiency for labours. It is just like a co-decision or co-determination. So, the concept of workers participation in management has been a very confused, controversial and debatable issue in the field of personnel and industrial relations. In general, it broadly means involvement of workers in the decision-making. The concept of workers participation in management refers to situations where the system provides an opportunity for workers to enjoy job autonomy or right to influence the managerial decisions.

In India the concept of workers participation in management has been advocated for achieving a wide range of objectives such as increasing productivity and production, greater efficiency and job satisfaction, improved industrial relations, better discipline, improved operation of safety measures and workers welfare activities, the development of the human personality and internal leadership, creation of a sense of belonging and establishment of harmonious industrial relations. These objectives may be achieved as a result of consequences flowing from the process of workers participation.
Participative Mechanism in Public Enterprises

Several persistent and multi-dimensional efforts have been made and are being made to translate the concept of workers participation in management into practice. Soon after independence, in the Industrial Dispute Act, which came into force from 1947, the Government demonstrated its keenness for an appropriate machinery to channelize the effective and meaningful participation of workers in the management of enterprises. For the first time, it provided for limited participation of elected representative of workers in bipartite works committees which aimed at promoting measures for securing and preserving amity and good relations between employers and workmen. Following the Government Industrial Policy Resolution and the Second Five Year Plan recommendations, a scheme of Joint Management Councils was introduced in 1958. In 1970, the Nationalized Banks Scheme provided for the appointment of one Director from among the employees of the nationalized banks. In 1971, a scheme of inducting representative of workmen as directors on the boards of management of public sector undertakings were introduced in a few selected enterprises. Each Ministry or Department concerned with the public enterprises is expected to prepare a list of undertakings in which Board level participation should be implemented. Then followed the two voluntary schemes of workers participation in industry at shop floor and plant level and workers participation in commercial and service organizations having large scale public dealings. The scheme will be operated at shop floor and the plant level in all public sector undertakings.
Shop Council

In every industrial unit employing 500 or more workmen, the employer shall constitute a shop council for each department or shop or one council for more than one department or shop, considering the number for workmen employed in different departments or shops. The representation of workers at the shop floor would cover different categories of workers such as skilled and unskilled, technical and non-technical. The managerial personnel would be excluded, but supervisory categories such as Foremen, Charge man would be covered. Both the workers and the management will get equal representation at the shop floor. Each party will have a representation of five and ten members depending on the size of the work force. The exact number would be arrived at by the management in consultation with the trade union leaders in the undertaking. The management will also consult the concerned trade union leaders and evolve through consensus the mode for representation of workers at all levels at which the scheme would be implemented. In persuading the union leaders to reach a consensus, the management may point out that in the absence of such a consensus, the scheme would not be capable of implementation. The management and the trade union leaders would ensure that there is adequate representation for women in the participative forums where women workers constitute ten percent or more of the total work force. The management would also ensure that adequate provision is made to safeguard workers independence from management pressure so as to ensure workers protection against any harassment or victimizations. The chairman of the shop council shall be a
nominee of the management the worker members of the council shall elect a vice-chairman from amongst themselves. A shop council once formed, shall function for a period of two years. Any member nominated or elected to the council in the mid-term to fill casual vacancy shall continue to be a member of the council for the unexpired portion of the term of the council. The shop council, in the interest of increasing production, productivity and overall efficiency of the shop or department attend the following matters. Shop level production facilities, storage facilities in the shop, material economy, operational problems, wastage control, hazards, safety problems, quality improvement, monthly targets and production schedules, cost reduction programmes and welfare measures related particularly to the shop.

**Plant Council**

There shall be a plant council in each plant under the company. It should consist of not more than 12 representatives of the workers and an equal number of representatives of the management. The plant level body has been assigned some of the important functions like review of the working of the shop level bodies, matters not resolved at the shop level or concerning more than one shop, quality and technological, improvements, evolution of productivity schemes taking into account the local conditions, improvement in productivity in general and in critical areas in particular, administration of social security schemes and initiation and supervision of the workers training programmes.
At the Board level, the workers representatives will participate in all the functions of the board. One of special functions assigned to the board would be reviewing the work of the shop and plant level participating forums. It has been observed that the Government has initiated several steps from time to time for the effective implementation of the participative system of management. The present system of workers participation at the shop floor and plant level was introduced in all the public sector undertakings.

**Workers Participation in BHEL**

BHEL is a multi-unit corporation with several large plants located in different parts of the country. Till 1972 the individual plants and their own self contained collective bargaining machinery with the usual multiplicity of unions as elsewhere in industry. Participation in different forms and areas of operation broadly in line with the participative forum such as works committee, production committee, education, grievance committee, etc., envisaged in the statues and the Industrial Policy Resolution, has been in vogue in various units of BHEL. In April 1973, a bipartite joint committee at the apex national level, consisting of representatives of the management and representatives of employee drawn from the local recognized unions of the plants and eminent leaders of the two major national trade unions, namely, INTUC and AITUC was constituted. Subsequently with a view to broad base the representation on this forum even unions having ten per cent following have been given representation on this forum, besides corresponding representation to central trade union organizations of INTUC, AITUC, CITU and EMS in proportion to the
following of their affiliates in the different units. The present composition of the joint committee of BHEL has been shown in Ann. No. 1. The tenure of the joint committee is generally decided by the committee itself, in a true spirit of bi-partisan and enjoy normally two years tenure excepting for singular situation where the committee has decided unanimously to continue beyond two years. At the time of reconstitution in 1973, 1975, & 1977 the committee decided the mode of determination of representation through mutual consultations and consensus. The effectiveness of the forum has been distinctly built on certain features which are essentially very special to this BHEL forum, namely.

1) The decision-making process – the decisions are taken in the joint committee in an atmosphere of cordiality and understanding and usually by consensus.

2) The Sanctity of Decision - The joint committee decisions or agreement have always enjoyed an unquestioned sanctity and respect.

3) Participation based on equal opportunity – The representative on the joint committee irrespective of their affiliations, etc., have an equal opportunity for frank and open expression of their viewpoints or position.

4) Broad – based representation – The Joint committee has a broad-based representation which represents over 90 per cent of the employees through various unions.

Both management and workers representative have realized the need for effective cooperation and have been working in a cordial atmosphere. It is hoped that in course of time, it would be possible to extend the scope and coverage of the joint committee to ensure maximum contribution from one and all and maximize the benefits. Taken as a whole, the joint committee has been
functioning very successfully, Both parties, i.e., management members and representative of trade unions have been functioning in a very cordial atmosphere. All major issues are discussed and deliberated before any decision is taken on matters considered by it. The devise of joint committee has succeeded in creating a climate of trust and confidence. A cross- section of trade union representatives as well as executives have responded very favorably regarding the working of the joint committee during the course of discussions held with them. The joint committee of BHEL which has been functioning for more than a decade now, has institutionalized the epitome of participation and has discussed and settled number of issues. Matters that are generally considered by joint committee include.

1) Revision and rationalization of pay scales.
2) Framing the employees participation schemes at the shop and plant levels.
3) Promotion of various categories of employees.
4) Reduction of working hours.
5) Fringe benefits.
6) Bonus.
7) Incentive payments.
8) Interim relief fund.
9) Holidays.
10) Rationalization of leave facilities.
11) Medical facilities.
12) Overtime allowance.
13) Recruitment to various categories of employees.
14) House rent allowance and city compensatory allowance.
15) Facilities to the unions.

This forum does not concern itself to the settlement of employee demands only but also the health of organization too. It is also concerned with increasing production and productivity, quality and technological improvements and reviewing the work of the shop and plant level participating forums. Another dimension of the success of this apex level form is revealed by the stability witnessed in the industrial relations climate in the organization. Having created a reasonable infrastructure and a general participative culture through the functioning of the joint committee and other allied measures and encouraged by the achievements of the participative forum at the apex level, BHEL extended the participative system from the apex level down to the grass root level so as to ensure that the spirit of participation permits down the plants and shop floor levels in the various units of the company. The BHEL Hyderabad unit consist of 10 production units. According to the formula of representation under the scheme of participation in BHEL representative of workers from amongst those actually engaged in the plant or in shop as the case may be are nominated by the unions in the ratio of two of the recognized union to one of INTUC and one of AITUC Central.

The latest scheme of employee participation promulgated by the Government of India significantly enlarged the scope of participation both at the shop floor and the plant level in BHEL. Most of the functions of the shop council related to:

1. Assist the management in achieving monthly or yearly production targets.
2. Improvement of production, productivity and efficiency, including elimination of wastage and optimum utilization of machine capacity and manpower.

3. Specially identify areas of low productivity and take necessary corrective steps at shop level to eliminate relevant contributing factors.

4. To study absenteeism in the shop departments and recommend steps to reduce them.

5. Safety measures.

6. Assist in maintaining general discipline in the shop.

7. Physical conditions of working, such as lighting, ventilation, noise, dust, etc., reduction of fatigue.

8. Welfare and health measures to be adopted for efficient running of the shop.

9. Ensure proper flow of adequate two-way communications between the management and the workers, particularly on matters pertaining to production figures, production schedules and progress in achieving the targets.

The functions earmarked for the plant level participation are more elaborate than those for the shop level. These include.

- Evolution of productivity schemes taking into account the local conditions
- Planning, implementations, fundamental and review of monthly targets and schedules
- Materials supply and its short fall
- Storage and inventories.
- Improvements in productivity in general, and in critical areas in particular.
- Quality and technological improvements
- Machine utilization, knowledge and development of new products.
- Operational performance figures.
- Matters not resolved at the shop level or concerning more than one shop.
- Review of the working of the shop level bodies.
- Review of the operating expenses, financial results and cost of sales.
- Absenteeism
- Initiation and supervision of workers training programmes
- Administration of social schemes.
- Safety measures
- Township administration

Financial matters have been included for the first time, within the scope of participation at this level. The scope of welfare matters is also much wider. Inclusion of environmental matters, community development and pollution control extends the scope of participation beyond the plant.

There are certain problems involved in the functioning of the participative forums at BHEL when the unit has been given scope for the trade unions to participate at the apex level, they require certain knowledge and skills in decision making process. But it was observed that most of the workers representative and lacking knowledge of these aspects. Accordingly, some management representatives suggested the need of education and training of workers representatives for effective participation in decision-making. The success of the participative management greatly depends upon their in-built character. It depends upon their attitude and outlook of that the parties to the councils and the atmosphere in which exchange of thoughts and opinions takes place. So, the workers participation in management programme cannot achieve its objective without developing the necessary attitude on the part of management and workers. While on the management side there has been no
change in their traditional attitude towards labours, labour too continued to be
divided on account of multiple unions and able to speak with one voice. The
labour has realized the need for unit and gave up its traditional agitational role
to function as responsible partner in industry, also certain standard of education
helps to maintain good labour management relation, decision making skills in
councils, sharing responsibility and power.

Training for representatives of councils in the area of basic technology
of industry, primary management practices and organizational behavior and in
committee work for office-bearers of councils would help in effective
participation in fixing and implementing; the norms or organisation. And
moreover, it helps in improving inter-personal relationship, and working of the
council. The BHEL management accepted the philosophy of workers
participation in management as a national policy without any apparent at
hindering the participation of employees in management. It was observed that
the management treated the workers representatives as an enlightened union
leader, one who would protect the workers interest while operating, at the same
time in the interest of the company. The BHEL management has been positive.
It is enthusiastic to involve people at all levels in the process of decision-
making. The present research study reveals the fact that the BHEL management
has consistently encouraged the recognized trade union to engage themselves in
healthy trade union activities during the workers hours. On the other hand,
workers representatives view that they alone have the monopoly to protect the
interest of the workers and have viewed these forums as platforms to further
strengthen their roles to protect the unjustified interest of the workers to the

198
detriment of the organisation. The trade unions utilize the participative forums to further their union interest and do take little interest in organisational vitality especially in the multi-union scenario. The trade unions are reluctant to take upon themselves management’s functions in production, productivity, maintaining discipline, etc., A feeling persists in them that management and labour are two opposite sides. They find themselves in a different position to rise above class-consciousness. They have a feeling that the management is indifferent or non-responsive to workers’ issues contrary to what is prevalent. Here it appears to be a considerable gap between workers and management. Even though it does not have much effect on the production, its performance and industrial relations. This gap can be bridged by giving proper training and motivation to the workers. With all the negative experience management is still hopeful and have a belief in improvements in future. It is seriously interested in making participating of workers in management - a success.

**Summing Up**

Today, personnel management has developed into a major function with a broad spectrum of activates concerned with human resources of the organization. Taking into account the rapid expansion of the public sector in the country, several experiments are being made in the field of personnel management. But even today, the Government has not been able to decide a clear-cut policy on managerial personnel for public sector undertakings. The personnel activities in BHEL are performed both at the corporate and unit level. It is based on centralized policy making and decentralized administration of human resource management. The computer are being increasingly made use of
in personnel activities of the enterprise both at corporate and unit level. Another important feature at BHEL Hyderabad Unit. The personnel management undertakes its activities with full cooperation and support of top management which is very necessary for the success of any organisation to achieve its objectives. Another important observation of the study is concerned with the industrial relations machinery. It was found that the present existing machinery is more effective in dealing with employees grievance as a result it achieved the support of both management and workers representatives.

Out of the 16 registered trade unions in two units, two trade unions are recognized. In spite of a number of trade unions are recognized. In spite of a number of trade unions operating, it is found that the inter-union rivalry is negligible. This chapter has also brought out various agreements reached between the trade unions and management which in turn reveal the nature and types of problems that surfaced in the functioning of BHEL over a period time.

The study highlighted the unique scheme of Joint Committee which has been functioning very successfully in BHEL Labour-Management relations are is sought through this device. Matters which have a direct bearing on employees working and service conditions, welfare and safety measures - are considered and decided through this forum. The variety of welfare measures – statutory and non-statutory are discussed at length in this chapter. The Provident fund, gratuity, medical and public health services in respect of statutory obligations and staff benefit fund, death relief fund, Group Insurance Scheme, housing facilities, educational facilities and a host of advance in the non-statutory sector
are the prominent among various welfare measures. Last but least, the organization for ensuring the safety of the workers is also dealt in this chapter. I would like to make an attempt to undertake an in-depth study of industrial relations in BHEL, Hyderabad unit.