Chapter – 7

Findings, Conclusion and Suggestions

7.1 Findings
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7.1 Findings

This chapter offers findings, conclusion and suggestions which are based on the primary data collected from employees, employers and leaders of trade union. In the previous chapter-6, data interpretation and analysis are carried out that have been further studied and inferences drawn. Major findings regarding the various aspects of Industrial Relation in selected engineering units are systematically presented as follows:-

7. A Findings of employees’ response to various aspects of Industrial Relations.
7.B Findings of employers’ response to various aspects of Industrial Relations.
7.C Findings of Trade union leader’s response to various aspects of Industrial Relations.
7. A Findings of Employees’ Response to various aspects of Industrial Relation

The following provides valuable findings of employees’ response on various aspects of Industrial Relations.

7. A.1 Existing IR Policy, Periodical Review and Modification in IR Policy

- Majority of employees replied that they have IR policy which has been periodically reviewed and modified as per the government directives.

- It is found that in the selected engineering units, they have very sound policies related to safety, performance appraisal, leave, bonus and overtime. And all these policies are reviewed regularly.

- The selected engineering units do not have fair family welfare policy, dispute resolving policy, grievances Redressal mechanism, as less than 50% employees replied negatively for those aspects.

- It is also found that there is no special policy for woman employees in the selected engineering units because only 17% employees responded positively on this aspect.

- So far as staff welfare policy, recruitment policy and promotion policy are concerned more than 80% employees replied in favour of these aspects, that shows good status of HRM and IR policy in the selected engineering units.
7. A.2 Communication system followed by Engineering Units

- Only 42.5% employees have said that they have been informed about various HR policy when they joined organization, it means very less number of employees have been informed about different IR policies at the time of joining.
- Most of the engineering units do not conduct induction programme for their employees that may adversely affect the performance of employees.
- In short it can be stated that there is a ‘very poor’ communication system in the selected engineering units as employees are not oriented formally through proper induction and training.

7. A.3 Status of Industrial Relation in Selected Engineering Units

- It is interesting to note that 54% employees found ‘very good’ industrial relations in their organization, 37% employees replied good industrial relations and very few employees said ‘poor’ industrial relations in their organization. Thus, the status of industrial relations in the selected engineering units is satisfactory.
- It is observed that compared to managerial and technical staff, shop floor employees reckoned less to the status of industrial relations in their units.
- Contractual employees have said that they have ‘good’ industrial relations while permanent employees have said that they have ‘very good’ industrial relations at their organizations. So, it means contractual employees are not satisfied with IR practices followed by the selected units compared to permanent employees.
Employees, who are not registered as members of unions, replied more positively about the status of industrial relation compared to employees, who are registered as members of unions.

Employees who have joined the organizations recently who have an experience of one to five years opined less positively about the status of industrial relations in their organizations compared to employees who have more experience.

Employees of private limited engineering companies have responded more positively about the status of industrial relations in their organization compared to employees of public limited companies.


It is found that ‘inadequate working condition’ and ‘poor wage structure’ are the major factors responsible for employee’s grievances.

As for the industrial environment, 38.2% employees responded for ‘well disciplined’ option and 45% responded for ‘disciplined’ option at their organizations.

Inadequate welfare measures and absence of motivation are the main causes of indiscipline at the selected engineering units. Lack of direction from the employer’s side also causes indiscipline.

Poor working conditions and strained superior-subordinate relationship result in to industrial unrest in the selected engineering
units. Lack of career advancement schemes for employees also causes industrial unrest.

- As for collective bargaining, management of the selected units is found highly dominant compared to individual employee and employee unions.

7. A.5 Employee’s Perception and Expectation on the Role of Government

- Majority of employees (66%) have stated that the government plays a ‘moderate’ role in maintaining industrial relations at the selected engineering units. Only 20% employees said that the government play ‘effective’ role.

- Compared to private limited companies, the government plays more ‘effective’ role at public limited companies regarding industrial relations.

7. A.6 Employees’ Satisfaction on IR Policy and HR Policy

- A large number of employees are fully satisfied with the safety measures, training & development and bonus offered by employers in the selected units.

- A large number of employees are satisfied with the recruitment policy, staff welfare policy, promotion policy, health and medical policy, overtime advantage, leave rules and overall human resources policy.
A large number of employees are dissatisfied with the family welfare benefits, grievances Redressal mechanism and special policy for woman employees.

Employees of private limited companies are less satisfied with leave rule, dispute resolving policy, grievances Redressal mechanism and special policy for woman employees compared to employees of public limited companies.

Young employees (who have just joined an organization) are dissatisfied with the safety measures, staff welfare policy, recruitment policy, incentives & rewards and family welfare benefits compared to senior employees.

It is found that technical employees and shop floor employees are more satisfied with the safety measures, training & development, health facilities, overtime advantage and overall HRM policy compared to managerial employees.

It is clear that contractual employees are dissatisfied for almost all aspects related to HRM as well as IR policy compared to permanent employees.
7. A.7 Result of Hypotheses Testing

- Null Hypothesis – Working conditions and work environment in the selected engineering units of Ahmedabad and Anand districts are not healthy and conducive is rejected, it means Working conditions and work environment in the selected engineering units of Ahmedabad and Anand districts are healthy and conducive.

- Null Hypothesis – Industrial relation policies and practices are not implemented satisfactorily by the employers in the selected engineering units of Ahmedabad and Anand districts is rejected, that leads to alternative hypothesis is that the industrial relation policies and practices are implemented satisfactorily by the employers in the selected engineering units of Ahmedabad and Anand districts is accepted.

- Null Hypothesis – There is no relationship between state of Industrial Relation and Level of Employees’ Satisfaction is rejected, that means there is a definite relationship between state of Industrial Relation and Level of Employees’ Satisfaction.

- Null Hypothesis – There is no significant co-relation between cordial relations and industrial unrest in the selected engineering units is rejected, it means there is a significant co-relation between cordial relations and industrial unrest in the selected engineering units.
7. B Findings of Employers’ Response to Various aspects of Industrial Relation

The following findings are based on interviews with employers at selected engineering units.

7. B.1 Employers’ view on Existing IR Policy, Periodical Review and Modification in IR Policy

- 94% employers have said that they have IR policy in their organization and they reviewed IR policy periodically.
- Majority of employers (more than 90%) have responded that they have staff welfare policy, promotion policy, family welfare policy and all these policies are reviewed periodically.
- A large number of employers have negatively responded for the existence of industrial research activities and special policy for a women employee.
- As far as training and development, and bonus are concerned employers are more positive about them.
- In case of family welfare policy, incentives and rewards, performance appraisal and industrial research, employers do not follow the government directives or change the policies.

7. B.2 Additional Facilities and Benefits Offered by Employers

- Very few companies offer extra benefits to their employees who work in night shifts.
- Only two companies provide dropping and pickup facilities to their employees.
• Companies do not provide facility of one day off against one night to those employees who work in night shifts.

7. B.3 Problems Faced by Employers
• A large number of employers have responded that they face increment related problems ‘moderately’.
• Majority of employers have said that they face a little problem pertaining to wages, leave, compensation, overtime and recruitment.
• It is also found that job security is also one of the areas of problem faced by employers.

7. B.4 Training Policy and Methods
• According to employers, most of the companies impart training to their new employees.
• All companies have made a provision for on the job training methods while some of the companies have made provisions for off the job training methods to train their manpower.

7. B.5 Employers Relation with Different Staff

During the research it has been found that employer’s relations with different cadre of staff are just good, which is presented as follows:-

• 56% employers have stated that they have a ‘very good’ relation with the management staff and 31% have said that they have ‘good’ relation with the management staff.
62% employers have responded that they have a ‘good’ relation with the administrative staff and 12.5% employers have said that they have ‘very poor’ relation with the administrative staff.

37.5% employers have responded that they have ‘average’ relation with the marketing staff.

As far as relationship of employers and the workers is concerned, 18% of the employers rated their relationship with the workers as ‘very good’, 44% of the employers rated their relationship as ‘good’ and 25% of the employers rates their relationship with the workers as ‘average’ and 13% of the employers rated their relationship with workers as ‘very poor’ and ‘poor’.

Mean score of relationship of employer with different staff shows, that employers have comparatively good relations with the management staff.

7. B.6 Employers Communication with their Staff through Meetings

It is observed that employers hold meetings very frequently with senior staff, executive staff and marketing staff.

Employers do not conduct meetings with factory staff and workers frequently.

It is found that employers met union leaders less frequently compared to other staff.
7. C Findings of Trade union Leader’s Response to Various aspects of Industrial Relation

On the basis of primary data collected from leaders of unions through questionnaire, following findings are given:-

7. C.1 General Findings on Responses of Trade Union Leaders

- In some of the companies, union is more than twenty years old while in some of the companies union is just five to three years old. So, it is found that there are strong base of unionism and its growing in the engineering industries.

- In most of the companies unions are recognized by the management, that indicates those unions are very strong and effective in representing the employees at engineering units.

- Majority of trade union at engineering units have formal fees structure that further shows that trade unions are efficient and working formally in the interest of employees.

- Majority of trade union collect fees on yearly basis.

- In all most all trade unions at selected engineering units, their leaders are selected by employees; only in a few unions leaders are elected.

- Half of the trade unions have liaison with other state and national level trade unions that means they are active in terms of networking and unionism.
7. C.2 Views of Trade Unions on their Employers

- More than 50% trade union leaders have said that their employers are ‘cooperative’ while 16% have said that they are ‘rigid’. Thus, it can be stated that normally employers in the selected engineering units are cooperative but not in all the situations.
- Only around 10% union leaders have said that their employers are always ready to listen and solve the problems it leads to conclude that employers are not genuinely interested in the welfare of employees.

7. C.3 Relation of Trade Union with Different Parties

- Majority of trade unions have either very good or good relation with their members that means, employees and trade union leaders have faith in one another.
- Most of the unions said they have good relation with employers but not very good relation with employers. It indicates that there is a lacuna between union and employers.
- Similarly, trade unions have also ‘good’ relation with employees who are not member of trade unions.
- Trade union maintains good relation with administrative staff and production staff.
- In brief, it can be said that trade union at selected engineering units have a ‘good’ relation with all the parties.
7. C.4 Objectives of Trade Union

Majority of union leaders said that their main objective is to provide reasonable wages, means they are working for fair wages only. 50% have said that they work for the interest of employees and very few i.e. 16.7% have responded that they try to enforce labour laws. It shows that trade unions of the selected engineering units overemphasize on wages and they do not pursue any holistic objective.

7. C.5 Views of Trade Union on the IR Policy System and its Reviews

- Almost all leaders of trade unions (more than 90 %) have said that there is existence of HRM policy, proper safety measures, leave rules, bonus offering, staff welfare policy, overtime benefits incentives and rewards.

- Majority of Leaders of trade unions have replied that companies do not provide benefits and facilities such as; housing facility, library, housing loan, sports facility, cultural activities and gratuity benefits.

- Engineering companies have not initiated any innovative practices like yoga training, crèche facility and workers education programme, which have been already started by some other companies in other sectors.

- According to leaders of trade unions, companies do not periodically review their policies with regards to Promotion, Staff appraisal, Health/medical Facilities, Leave travel assistance etc.
• Engineering units do not provide benefits to the children of employees and woman employees.

7. C.6 Response of Trade Union Leaders to Conflicting Situations and their Resolution

• More than 50% of the leaders of unions have said that they face conflicting situations at their organizations.

• In order to solve any conflicting situation, trade unions consult their representatives and former leaders. Sometimes they also consult legal experts but they do not take their own decisions.

• While negotiating with employers, union leaders always keep in mind prevailing environmental norms and they try to avoid personal prejudices and influence of political parties.

7. C.7 Response to Burning Issues and Problems

• Around 89% union leaders have said that there is no burning issue in their organization; it shows that there is a complete peace and no risk of closedown situation at any engineering unit.

• Majority of the union leaders have opined that they face problems pertaining to bonus, wages and leave. It shows that trade union cannot think other than monetary benefits, in other words still they have to fight for the basic necessity.
7.2 Conclusion

It can be concluded on the basis of responses of employees, employers and trade unions that overall scenario of Industrial relations is good in the selected engineering units of Anand and Ahmedabad districts. So far as overall Human Resource Management policy including promotion policy, recruitment policy, performance appraisal, employee welfare policy, safety policy, overtime policy, bonus system are found appropriate with periodical reviews and modification as per the government directives.

As such there is no satisfactory system of grievances Redressal mechanism and dispute resolving policy in the selected engineering units. There is no provision for special policy for women employees.

Engineering companies also do not have proper system of induction and training to new employees. However, as per the views of employees there are harmonious industrial relations in their organizations.

Contractual employees, employees who are not member of union, and shop floor employees have responded less positively to the industrial relations status at their organizations. Employees of private limited companies have positively responded for the status of industrial relations at their organizations.

Inadequate working condition and poor wage structure are the major factors responsible for employees’ grievances as per employees’ views. Poor working condition and strained superior subordinate relationship result in to
industrial unrest in the selected engineering units. Lacks of career advancement schemes for employees also cause industrial unrest up to a certain extent. Management of engineering units is stronger in the process of collective bargaining.

In the selected engineering units as per the opinion of employees, the government plays an effective role through certain norms. However, they have said that majority of the government rules are outdated and irrelevant. Compared to private limited companies, the government plays a more effective role in public limited companies regarding industrial relations.

Working conditions and work environment in the selected engineering units of Ahmedabad and Anand districts are healthy and conducive.

A large number of employees are fully satisfied with the safety measures, training and development and bonus offered by employers of the selected units. Employees belonging to different age group; experience group, different designations, and different nature of employment are significantly different in their views on the level of satisfaction with some of the aspects related to industrial relations and human resources management.

There is a relationship between state of Industrial Relation and level of Employees’ satisfaction. There is a significant co-relation between cordial relations and industrial unrest in the selected engineering units.

Employers also have more or less similar views for the existence of overall Human Resources Management policy and Industrial Relation policy
at the selected engineering units. Industrial relation policies and practices are implemented satisfactorily by the employers in the selected engineering units.

Employers of engineering units maintain good relations with different staff and departments and frequently arrange meetings with different staff. However, they do not conduct meeting with factory staff and workers frequently.

There is a strong base of unionism and it is gradually growing in the selected engineering units. There is a formal fees structure to become a member of union. But unions do not allow contractual employees to become the members of union. The major objective of trade union is to fight for fair wages. Leaders of trade unions have said that their employers are cooperative but not always ready to listen and solve their problems quickly. However, they are not facing any burning issues at their organizations.

So it can be concluded that there is an existence of cordial industrial relations in the selected engineering units but still they need to work more for better industrial relation in terms of modification in their policies towards woman employees, contractual employees and some innovative initiatives.
7.3 Suggestions

One the basis of findings of primary data, collected through questionnaire administered on employees, interviews with employers and leaders of trade unions, following Suggestions have been made. It also includes some of the suggestions gathered from employees, employers and trade union leaders through personal interaction with them. Separate questionnaire has been prepared for employees, employers and trade union leaders which include some subjective open ended questions and their responses are mentioned here in form of suggestions:

Suggestions for Employers

Employers are the representative of management. They govern the organization by framing the policy and system in the organization. Following suggestions can be made on the basis of inferences of data analysis and interpretations.

Suggestions Related to Overall Policy

- All the rules related to Industrial Relations should be appraised at frequent and regular intervals to ensure that they are, and continue to be, appropriate, sensible and useful.
- Promotion policy, recruitment policy and incentives and reward policy should be strengthened further to satisfy the employees, as they have replied that there is no proper policy in their organization for these aspects.
- There must be a specific policy for women employees.
• To attract the skilled women employees towards engineering units, the industry has to frame special policies for them.
• Enough efforts should be made to satisfy the shop floor employees, as they are found less satisfied.
• There are number of problems faced by contractual employees and they are also not satisfied with the policy of company so that, employer should develop such policies which do not ignore feelings and interest of contractual employees.
• Public limited companies should make some more efforts to create competitive and motivational work environment at work place.

Suggestions Related to Communication System

• There should be a proper system of communication so that all employees are fully informed of the company’s policies and procedures. If important information is not passed on, the employee’s confidence will be weakened in their companies.
• There should not be any type of communication gap between workers and supervisors.
• To reduce or minimize the industrial conflicts, the management of the company should allow its employees for participatory role in the functioning of the company.
Suggestions Related to Working Conditions

- Inadequate working condition is the main reason responsible for industrial grievances according to responses of employees of the selected engineering units. Therefore, the management of the selected units has to provide decent working condition and fulfill basic needs of human beings at the workplace.

- Environmental conditions should be improved in the industry. This will reduce fatigue both mental and physical, accidents and will reduce absenteeism.

Suggestions related to staff welfare policy

- A large number of employees are dissatisfied with family welfare benefits so, employers should provide library facility, canteen facility, and transportation for employees and education facility for their children.

- It is also suggested that conveyance should be provided to the workers coming from distance areas.

- As inadequate welfare measures and absence of motivation are the main causes of indiscipline, employers should urgently frame such effective employees’ welfare policy which motivates them to work efficiently without creating troubles in the organization.

- Young employees (who have just joined an organization) are dissatisfied with the safety measures, staff welfare policy, recruitment policy, incentives and rewards and family welfare benefits compared to senior employees. So, employers should also take suggestions from young employees while framing any policy that affects Industrial Relations at organization.
Suggestions Related to Training and Development Programme

- There should be proper induction and training programme for new employees.
- The companies should provide enough opportunities to their employees for advancement. There should be adequate facilities for training. Successful employees should be appreciated and rewarded.
- The management should promote continues research on the problems related to industrial relations and personnel management.
- Management of the selected engineering units should focus on continuous training and development programmes for all-around development of their employees.

Suggestion Related to Grievances and Dispute Resolving System

- Managers and Supervisors should be empowered to deal with grievances and disciplinary cases.
- Management should not have absolute authority to enforce decisions affecting the interests of Trade Unions and Employees.
- Issues in the collective bargaining should be disposed off at the earliest.
- There should be objective and fair standards to settle the issues regarding wage rates, working conditions, discipline, and industrial unrest.
- The selected units should establish proper legislative machinery for healthy industrial relations in their organizations.
- To reduce grievances in the selected units frequent meetings should be arranged and stress should be laid on employee’s feedback.
• The selected units have to setup a mechanism, where each and every employee can represent his problems without any hesitation.

• To satisfy the employees of the company, the management of the selected units should expedite settlement process in a stipulated time frame.

• Decisions regarding personnel management should be made in a democratic manner. Those decisions which are made in consultation with employees are likely to be most effective and fruitful. For this purpose, it is essential to invite suggestions from the shop floor employees.

• Differences between Employee and Employer should be settled through mutual negotiation and consultation rather than through the intervention of the third party.

• To solve routine problems related to industrial relations, maximum attention should be paid to negotiation.
Suggestions for Employees’ and Trade Union Leaders’

- The attitude of employees and union leaders towards management should be positive
- The attitude of employees towards trade unions should be positive
- Employees and trade unions should emotionally co-operate in implementing company strategies.
- Trade unions should allow contractual employees to become members of unions.
- Trade union should not overemphasize on wages rather they should work for the all-around development of employees and their families.
- All employees should attend the training programmes as and when they are asked to do so
- Most of the unions are keep themselves away from central organizations and operate as regional state or industry level, which restricts their strength and bargaining power. Therefore, it is suggested that the union leaders should link their unions with central organizations.
- Employees and trade union leaders should understand the constraints of employers.
• Trade union leaders should avoid the steps like… strike, Go slow and physical damage to the assets of the company.

• To avoid conflicts the employee has to maintain discipline at work place

• For congenial relations employees should follow rules, regulations and code of conducts at the work place.

• Senior employees should motivate and train to newly recruited employees.

• To establish harmonious relations, all employees should organize get together programmes for various occasions along with the families.

• Employees should not leave the organizations without prior permission of management

• Trade union leaders should also fight for the rights of contractual workers and they have to protect the interest of the casual labours.

• There must be strong, well-organized and democratic employees’ unions in engineering units.

• To protect the interest of weak employers and for uniform personnel policies among engineering units, there must be sound, organized and active federation at state and national levels for engineering industries.
• The demands made by the unions should be just and appropriate. Unions should recognize that the welfare of their members depends on the successful operation of the business.

• Machinery for prevention and settlement of industrial dispute should be effective and dynamic.

• There should be mutual trust and confidence between the two parities. There should not be any ideological incompatibilities between them.

• Superior-subordinate contacts, both formal and informal should be increased for better understanding of each other.

• The Trade Union Act should be amended in order to avoid dual membership, rise in membership fees and for such other measures.

• Trade unions should form their own political party to give additional strength to the unions, both in the industry and the parliament.
Suggestions for Government

- Government should amend laws that affect industrial relations at engineering units because some of the labour laws, factory Act, payment of wages Act, Employees’ compensation Act and minimum wages Act have become obsolete.
- Government should motivate employers to offer more benefits to their employees by announcing some special promotional schemes.
- Government should strictly try to enforce the various laws that help in maintaining balance at industrial units.
- Government should also ensure that employers adopt the subsequent changes as per government directives and guidelines.
- Government should initiate for public-private partnership efforts to strengthen industrial relations at work place.
7.4 Scope for Further Research

Every attempt has been made to make the study intensive but due to lack of time and resources there exists certain gaps in the present study. Therefore, further work may be undertaken to bridge the gap so as to enhance the scope of analysis. The coverage of this study is limited to only twenty one companies. It can further be extended. Data for the purpose of analysis have mainly been collected from secondary resources having certain limitations. Further research work in above mentioned areas would be of great practical significance and would throw more light on the operation of engineering industries in Gujarat, particularly in Ahmedabad and Anand Districts. An interesting area for further research is to analyze the factors leading to industrial relations through comparison. Further study can also be undertaken by comparing Small Scale and Large Scale engineering industries. Further study can also be undertaken by comparing industrial relations in engineering sector with other sectors too.