Chapter - I
Introduction

1.1 Introduction

Industry is a place where the sophisticated methods of production is taking place and the human beings who are involving in the production process are the assets because, they have plenty of skills, energy, knowledge, brilliance, efficiency and labor. Among these, the labor is perishable and it cannot be stored for ever and it should be delivered and used precisely. Human beings are the assets because they have the labour and India will have a surplus of 47 million people in the young age group in 2020. The research findings say that the satisfied laborers can deliver their best for the organization wherever they are working. Laborers are part of the organization and they are working not only for their income and family but also survival, growth and development of such organizations. The organizations may be small, medium or large but they consist of men and machineries. The laborers have to work along with the machines to speed up the production as the targets/goals fixed by the organization from time to time. In this process, workforce should be the happiest and the workers are the messengers for outside of the organization. Many of the successful industrial organizations across the world may have the dedicated, committed workforce to avoid the negative impact like industrial
sickness, monotonous, fatigue, boredom etc., on production and efficiency.

In general, the workers do not want to associate themselves in the problematic and sick industries. They might have joined in industrial sectors to grow along with them as well as to see the positive changes in their respective families as well. The organizations also provide plenty of labor welfare programmers as a total investment to curb the problems of the employees and industrial conflicts. The labor is not a commodity and it is vibrant and indiscernible phenomenon.

The series of researches of Elton Mayo, F W Taylor and others adopted the application of science to the management of employees in the workplace in order to maximize economic efficiency as well as productivity. Their research conclusions obviously say that the laborer is a 'social person', and he is not a machine designed to work for unethical and unrealistic productivity expectations. Though, these ideas from the experiments have holistic philosophy rather than a set of principles, the human relations movement worked parallel to the notion of scientific management aiming to address the social welfare needs of workers and therefore elicit their co-operation as a workforce. The widely perceived view of human relations is said to be one that completely contradicts the traditional views of Taylors. At the same time, as scientific management tries to apply science to the workforce, the accepted
definition of human relations suggests that management should treat workers as individuals, with individual needs. In doing so, employees are supposed to gain an identity, stability within their job and satisfaction, which in turn make them more willing to cooperate and contribute their efforts towards accomplishing organizational goals. Thus, the human relation is a primary goal of any organization which directs both employers and employees to develop the positive communication skills, so the human relation is need of the hour. Though, Elton Mayo is being considered as the founder of this human relations movement, however there are ideas, beliefs and arguments which say that the concept of human relations have been used well before the familiar Hawthorne experiments, which only has sparked the human relations movement.

Bruce and Nyland (2011) say that many academics preceded Mayo in identifying a concept similar to that of the human relations movement even going as far to suggest that the output and information collected by the Hawthorne experiments was identified well before Mayo by Taylor. In addition, Wren and Greenwood (1998) argue that Taylor made important contributions to what inspires human motivation, even though his ultimate findings were somewhat different to the human relations movement. Another name which has been attributed to pre-existing human relations ideas is that of Henry S Dennison. The one time president of the
Taylor Society has been linked to both Taylorist principles as well as human relation ideals thus creating a nexus between Taylorism and human relation thought.

Every organization performs its task with the help of resources as men, materials and money. Except manpower other sources are nonliving but man power is a live and generating resource. Manpower utilize other sources and gives output. If manpower is not available then other resources are useless and cannot produce anything. Out of all the factors of production manpower has the highest priority and is the most significant factor of production and plays a pivotal role in areas of productivity and quality. In case lack of attention to the other factors those are nonliving may result in reduction of profitability to some extent. But ignoring the human resources can prove to be disastrous. In a country where resource is abundant it is a pity that they remain under-utilized. In working of Oliver Sheldon “No industry can be rendered efficient so long as the basic fact remains unrecognized that is human.” The people at work compromise a large number of individuals of different sex, age, socio religious group and different educational or literacy standards. These individuals in the work place exhibit not only similar behavior patterns and characteristics to certain degree but also they show much dissimilarly. Technology alone however cannot bring about desired change in economic performance of the country unless human potential is fully utilized
for production. The management must therefore be aware not only of organization but also employees and their needs.

1.2 Essentials of inter-disciplinary approaches

Human relation is an integrated body of knowledge composed of several elements from different disciplines. Human relations is an interdisciplinary field because the study of human behavior in an industrial or business setting must include the research of several social and physical sciences if it is to be coherent. The interdisciplinary approach requires an understanding of the separate contributions made by other disciplines and then the integration of that information into a unified whole. Psychologists have done extensive research and experimentation on the relation of the individual to the work environment (particularly job satisfaction, job placement, incentives, testing, training, counseling and various other work related areas). The Social Psychologists through their scientific study of the behavior of individuals have provided an answer to why people behave as they do. Sociologists have made many contributions to human relations with their studies of ‘group behavior’ and ‘group dynamics’. They have strived to develop laws and generalizations about human nature, social interaction, culture and social organization. Anthropology examines all the behaviors of man which have been learned, including all the social, technical and family behaviors which are a part of the broad concept of ‘culture’. Their concepts of role behaviors, status and
effects and the influence of informal groupings have proved invaluable in understanding human behavior in work environment. Economics has contributed both theories and information to a total theory of industrial relations. It is stated that all these fields have added separate and useful elements to the knowledge of human relations. Human relations are likewise concerned with the people and their groups. More emphasizing over, in the study of human relations is action oriented the analysis, prevention and resolution of behavioral problems within organization.

Sansford defines human relations as the development of an environment, which motivates individuals, to achieve organizational objectives because of the need satisfaction such achievement provides. According to Dubrin, ‘human relation is an art and practice of using systematic knowledge about human behavior to achieve organizational and personal objectives.

1.3 Relevance of Sociology in studying industry

Sociology concentrates on the interaction among the employer and employee, and employee and employee both the employer and employee came from two different poles with regard to capital is concerned. In every industry, there is social system prevails which consists of social phenomena like religion, community, caste, conflict etc., so sociology of organization deals with the industry not only as a system of production but also a social organization. John F. Mee has rightly remarked,’ Good human relations in
industry is the medium for effecting the maximum satisfaction of the economic, social and psychological wants of all people having relations with an organization which has the objective of increasing productivity. In a broader sense, human relation is the art of successfully living. But it is the business and industrial definition of human relations with which the personnel program and management are concerned. Human relations is the medium through which both employee and the company mutually cooperate to achieve more production through higher morale, which after all, is the economic purpose of any business and industry.”

According to William G. Scott, human relations is a process of effective motivation of individuals in a given situation in order to achieve a balance of objectives which will yield greater human satisfaction and help accomplish company goals. Industrial and human relations have been defined by Thomas A. Kochan in his book collective bargaining and industrial relations, as all aspects of people at work but there are clearly some aspects of people at work that entail highly technical subjects. Huneryager and Heckmann define the human relation as a systematic, developing body of knowledge devoted to explaining the behavior of individuals in the working. Derek French and Heather Saward have defined ‘human relations’ is an approach to the theory of management and of organization that emphasis the individuals worker’s need for satisfactory relationship with other members of his own group
and his need to participate in decisions that affect his work”. In the opinion of MacFarland human relations is the study and practice utilizing human resources through knowledge and through an understanding of the activities, attitudes, and sentiments and interrelationships of people at work. Davis observes that the human relations is an areas of management practice in the integrating of people into work situation in a way that motivates them to work together productively, cooperatively and with economic, psychological and social satisfaction. Jack Halloran states that in its most general sense, the term “human relations” refers to all the interactions that can occur among people, whether they are conflicts or cooperative behaviors. The study of human relations in business and industry is the study how people can work effectively in groups in order to satisfy both (i) Organizational goals and (ii) personal needs”. In other words, the term is usually taken to mean getting along with others”.

The importance of working with the fellow employees of different socio-economic back ground is an essential character if a person wants to bring out his best in today’s workplace. In a day and age where jobs are no longer stable and layoffs at organizations are very common, it is an important key to know how to work with and get along with different types of people. Hence, the human relation is the most important phenomena in the present context earlier than because the industrial organizations have to spend
more time to train employees. The reasons are the managements are interested in molding and shaping the mind sets of employees suitable for motto and objectives of the industrial organization. When an industry trains their employees, it expects certain qualitative measures from them. In any type of industrial organizations workers constitute an effective system of production to reach the goals because, the industrial organization is a social system. The employees come from different types of religions, castes, Communities and other social differences. However, the machines do not bother about their social differentiations but they depend upon contributions from them. If the combination of the effective leadership at various levels function properly it can also build up the positive morale amongst the employees and motivate them in the right directions as desires. It is not an easy task, which requires lot of enthusiasm and trust between management and workers. The best leadership is an independent variable which may be in a position to direct the employees to achieve the optimum productivity level.

1.4 Human relations and dimensions

The 1930s marked the beginnings of the systematic development of Human Relations theory. Gantt, Gilberts and Denison as we have studied earlier had paved the way with their ideas for the human relations theory to take shape, but did not pursue any systematic research to that end.
1.5 Human relations approaches

The major analytical rather than ideological criticism of the human relations approach is that it tends to focus on a narrow range of variables and to study them without taking others into account. It often fails to relate the findings on the variables studied in a particular study. Thus, the human relations people tend to devote much attention to informal relations among workers and supervisors, but little to the formal ones. It is true that workers form informal groups, but relate to the formal organizations. All or most or only few of the workers in any one work unit also members or they tend to parallel them. Informal groups equally likely to evolve in all organizational ranks and divisions, or are they more likely to evolve in some than in others. It is true that informal groups respond to leadership. As the leadership is divided between formal and informal leaders, a careful reading of various Human relations descriptive accounts of work relations does provide considerable material on the relationships between the informal factors which they tend to underplay.

Many human relations studies have pointed to the existence of informal groups in industry and to their psychological and sociological significance especially in view of the disintegration of social life outside the factory under the impact of industrialization. But there are very few human relations studies which ask how common such informal work groups are, how rare off the job groups
are and what their relative importance actually is. A study by Walker and Guest of 179 assembly line workers showed that there were virtually no social groups on the job. Vollmer reported that male skilled workers had no coworkers as close friends outside work. Mayo and many of his associates expected the atomization of society as a result of industrialization. Industrialization they thought, would lead to disintegration of traditional social groups such as family, village community and religious groups. Many rural communities and religious groups have similarly declined. But most of the groups have not disappeared. More over new bases of social relations have developed, especially in urban and even more in suburban ecological

1.6 Inter-personal social relationship

The humanistic approach is a crucial and contributory factor which promotes and emphasizes to reach the task and shape the organizational structure. It is now the people participate in organizations to understand the machines and methods of work, formal organization and management principles applicable to the organizational aspects their give priority to concern for the fellow-man and his social groups. The humanistic approach appears the resemblance of theory of human relations and the thanks should go to the contributions of social sciences, in general Sociology and Psychology in particular. The concept of work has been emerged in the first decade of the twentieth century, which was mainly oriented
towards some of the basic issues that occupied so many stages of development. The initial stage dominates the only aspect of production. The idea of work, was the verification of human features each task required by the performer, and the scientific selection of employees based on these characteristics. During the next stage, which is characterized by the increasing attention directed towards the individual and social aspects of work? In this stage, study in the personality of the worker and his supervisor, the study of motivation and work incentives, leadership, communication, interpersonal and social relations within the organizations have been dominated. The study of factors determining human relations in industry helps us understand how people fulfill both personal growth needs and organizational goals in their careers. Many organizations are beginning to realize that an employee's life outside the job can have a significant impact on work performance, and some are developing training programs in human relations that address the total person.

1.7 Responsibilities inside the organization

The importance of getting along with and working with people of all different backgrounds is essential if a person wants to thrive and survive in today's workplace. In a day and age where jobs are no longer stable and layoffs at organizations are very common, it is important to know how to work with and get along with different types of people. Human relations are more important now than they
were years ago because companies are now spending more time to train employees. When a company trains their employees, it is expected that the employees will understand what is expected of them during the day at work. There are two major responsibilities that employees have when they are hired by a company. 1. First, employees are expected to perform the duties and responsibilities the best that they can 2. Employees are expected to get along with all of their co-workers and their manager or supervisor. Otherwise, there will be tension in the office and the productivity of the company will fall.

1.8 Socialization and industrial organization

Socialization impacts human relations in all businesses in a number of ways. It provides employees with the skills and customs necessary for participating within the corporate culture and increases motivation. Generally, socialization shapes the way employees view teamwork, work habits and the sharing of information, which are all important factors for an industry. The importance of human relations stems from their contributions to people-skills building and organizational performance. Human relations occupies a predominant place in industry, the performance of people in an organization depends mainly on three factors, namely technology, ability and motivation. The main problem of management today is neither technology nor competence. It is lack of willingness among people to work hard.
1.9 People and the work situation

Human relations help managers to better understand the attitudes and behavior of employees. Such improved understanding enables management to anticipate and prevent problems. The interests and capabilities of people can be reconciled with the need and goals of the organization. Human relations refer to the interaction of people in all walks of life. In Industrial setting, human relations means the systematic body of knowledge used to explain the behavior of people at work. According to Keith Davis, “human relations in an area of management practice which is concerned with the integration of people into a work situation in a way that motivates them to work productivity cooperatively and with economic, psychological and social satisfaction.”

Mary Parker Follett who first defined management as “getting work done through people”, which reflected a place for human relations in management, the human relations movement began with the work of Elton Mayo and his associates. The term “Human Relations “is commonly used a general term to describe the ways in which managers interact with the peers, subordinates and their superiors. It always good to maintain good relations with the people from we get our work done. The greater the human relations in an organization, the greater would be the managerial effectiveness. This is the rationale behind the human relations movement.
Earlier human religionists bestowed their attention on work environment as closed social system. They did not care to give considerable attention on external factors as economic conditions, community and the internal policies of the union. They were of the opinion that the psychic needs of man must be properly served in an industrial environment. Many psychologists who contributed to this, however, failed to reckon with the influence of individuals in shaping the values, attitudes and approaches of the group. On the other hand some human religionists stressed the importance of togetherness in place of individualism. The classical management thinkers have emphasized a formal organizational with a formal authority downward and formal reporting upward. But the early human religionists brought out the existence of an informal organization, which represented human relations, in 1920’s. Though Dracker argues, “there is nothing informal about an informal organization which being based on custom rather than explicit rules, tends to be more formal organization chart”. The human relations concept is stemmed from employee relations which views human behavior as developing within the interacting framework of an organization. It means that human behavior is at the centre of human relations concept.
1.10 Industry as a social system

Some of the concepts of human relations approach which are useful to the study of organizations are 1. Organization is an interacting system 2. Human interaction is a product of beliefs and actions 3. Occupational identification helps in human relations 4. Status helps the individual to make adjustments in human relations. 5. A dynamic process of adjustment is necessary in human relations organization an interacting system.

Human relations are facilitated an interacting system of organization. In an interacting system each part of an organization influences every other part of it. Hence, the human relations between people in the different parts of the organization are indispensable. After all people are social beings who are highly independent. Freudian model, which viewed personally as a product of interacting highly interdependent system involving the id, the ego, and the superego, is worth mentioning here. Social anthropologists and even modern sociologists support the view that human behavior is determined by their role in the interacting social system. Every organization is an interacting social; system and every individual, who is associated with an organization has an interacting role in it. Obviously human relations are crucial in every organizational frame work.
1.11 Mutual adjustments in human relations

Human relations become possible as a result of adjustment between people. It means that appropriate organizational models which encourage, develop and maintain cordial relationship between superiors and subordinates, as well as laterally help to improve human relations.

1.12 Social action for industry

In the face of emerging social change, human relations philosophy must suit the social change in the years come. Every individual is involved in social interaction which involve elements like choice, thought, emotion and perception. These elements of human action must be taken into account in every social behavior. According to Talcott Parson, four elements of social action are an actor, an end, asset of conditions, and a set of means. The individuals and their egos involved in the social action. In the changing environment human relations will, therefore, be considerably influenced by the nature of people (manager, technocrats, international experts, technically trained people and so on) and not merely the relationship between the trade unions and management. Social interaction is “the mutual influences that individuals and groups have on one another in their attempts to solve problems and in their striving towards goals”.

According to A.W. Green, there are at least two important conditions are need of the hour for any social contact and
communication. In this respect, a human relation in an organization, which attempts to solve problems through mutual influences, is essentially a social interaction which will be effective with proper social contact and effective communication. Social contacts in future will be dynamic and matured. Similarly in the communication revolution expected to emerge in the years to come will be of great concern for every human relations and every human resource manager. Thus sociological relevance of human relations in future will be challenging and dynamic. The future of human relations, which Chris Argyris enumerated various policy area in which human relations policy will shift in a company in future.

1.13 Workers and their needs

Taylor’s view of workers was complex, having both insightful and obtuse elements. Anyone who manages a large team of workers sees from experience that Taylor was correct that some workers could not be relied upon for talent or intelligence; today enterprises still find that talent is a scarce resource. Taylorism took some steps toward addressing their needs (for example, Taylor advocated frequent breaks and good pay) but Taylor nevertheless had a condescending view of less intelligent workers, whom he sometimes compared to draft animals. And perhaps Taylor was so immersed in the vast work immediately in front of him (getting the world to understand and to implement scientific management’s earliest
phases) that he failed to strategize about the next steps (sustainability of the system after the early phases).

Many other thinkers soon stepped forward to offer better ideas on the roles that humans would play in mature industrial systems. **James Hartness**, a fellow ASME member, published The Human Factor in Works Management in 1912. **Frank Gilbreth and Lillian Moller Gilbreth** offered alternatives to Taylorism. The human relations school of management evolved in the 1930s. Some scholars, such as Harry Braverman insisted that human relations did not replace Taylorism but rather that both approaches were complementary—Taylorism determining the actual organization of the work process, and human relations helping to adapt the workers to the new procedures. Today's efficiency-seeking methods, such as lean manufacturing, include respect for workers and fulfillment of their needs as inherent parts of the theory. (Workers slogging their way through workdays in the business world do encounter flawed implementations of these methods that make jobs unpleasant; but these implementations generally lack managerial competence in matching theory to execution.)

**1.14 Process of human relations**

The major analytical rather than ideological criticism of the human relations approach is that it tends to focus on narrow range of variables and to study them without taking other into account. It often fails to relate the findings on the variables studied in
particular study to those examined elsewhere. Thus the human relations people tend to devote much attention to informal relations among workers and between workers and supervisors, but little to the formal ones or to the articulation of formal relationships with informal ones. It is true that workers form informal groups but how do these relate to the formal organization. All or most or only few of the workers in any one work unit also members of one informal group. Informal group cut across formal division or do they tend to parallel them. Informal groups equally likely to evolve in all organizational ranks and divisions are they more likely in some than others. It is true that informal groups respond to leadership, but under what conditions is the leadership provided by formal leader. The motivation is an important factor which encourages persons to give their best performance and help in reaching enterprise goals. A strong position motivation will enable the increased output of employees but a negative motivation with reduce their performance.

1.15 Objectives of labour welfare:

To win over employees loyalty and increase their morale to develop efficiency and productivity among workers to save one self from heavy taxes on surplus profits to reduce of threat of further government intervention to make recruitment more effective to give expression to philanthropic and patristic feelings. To combat trade unionism and socialist ideas to earn good will and enhance public
image to build up stable labour force, to reduce labour turnover and absenteeism. The reasons for the labour welfare activities in India increase in efficiency of employees, helpful in reducing the state of poverty among employees, establishment of Industrial peace helpful in maintaining health and physical ability of employees, helpful in reducing the rate of absenteeism and labour turn over.

1.16 Workers’ participation in management

Workers’ participation in management is enshrined in the Indian constitution which provides for the participation of workers in the management of undertaking establishments or other organizations engaged in any industry. Participation means co-functioning playing one’s in an integrative unity, contributing all that one is capable of to the good of organization. It signifies workers’ identification with the progress and development of business. Participation rests on two foundation stories - Co-ordination and understanding through best communication. The concept of workers’ participation is viewed through a variety of perspective workers’ participation in industry is viewed as industrial democracy in action.

Participation means sharing in decision making power with management as co-partner. Worker looks upon it as a tool of gaining equal control over decisions making process within the organization. For management, participation means joint consultation before decision making. It looks upon participation as
a tool for securing better overall performance of the organization. In short, it can be said that worker’s participation in management includes labour management co-operation, co-ordination, joint consultation, joint decision making, and workers’ participation in management. Real participation is sharing the power of decision making.

1.17 Nature of workers’ participation in management

Means of attaining industrial peace and harmony leading to higher productivity and increased production, a ideological point of view to develop self- management in industry, a devise for developing social education for effective solidarity among the working community and for tapping latent human resources, an instrument for improving efficiency of enterprises and establishing harmonious industrial relations, a humanitarian act for giving the worker an acceptable status within the working community and a sense of purpose in activity. Encourages acceptance of change- Whenever management think any changes participation enables acceptance of change and reduces workers’ resistance to change. Improves and team work- When workers’ help is taken in solving work problems, it tends to increase the satisfaction of their high level. It also increases job satisfaction. In a climate of participatory leadership morale is quite high and labour turnover, absenteeism and grievance rates are much lower, encourages workers to accept responsibility.
Participation increases workers’ sense of responsibility and employees adopt responsible attitude towards their work, they become ego involved and emotionally involved. It restores human dignity- participation can restore a measure of human dignity, motivation, and mutual interest. These three are the fundamentals of human relations programme. It provides ample scope for self-expression and self-advancement- participation can provide valuable training ground and opportunities for self-expression or self-advancement of the employees. Almost all forms of participation can be considered as instrument for management development. Encourages better decisions- participation enables frank discussion between labour management. Diverse viewpoints brought out during the course of discussions cannot be ignored and combined judgment after full consideration will naturally provide better decision. Uses creativity of employees- participation gives opportunity to intelligent employees to demonstrate their knowledge, skill, imitativeness, as well as creativity. Highly capable persons having talent can be easily spotted out and offered due promotion. Participation enables the management to capitalize on the talent and ability of employees.

1.18 Importance of workers’ participation in management

In our country, workers are in a position to competent to take important interest in the decision making process on various managerial problems, participation cannot be extended to
complicated problems of financing the enterprise, deciding upon what shall be manufactured or any or the difficult problem, purchasing of materials, managerial functions, such as planning, directing, coordinating, controlling, communicating etc. These functions require specialized knowledge and such knowledge is not an elective function. Management today has assumed professional character demanding, services of experts and specialists during the conduct of business. It is very difficult to decide the level of participation of workers’ in management there are different opinion about the levels of participation. The levels of workers participation in management depends upon the various factors as position of employees, their experience and qualifications management behavior, type and nature of job, historical experience, psychology of employees and the relationship between workers and management relationship. Worker’s participation in management means participation up to what level that is a debatable point. According to Dorothea there can be three levels of participation of workers in management. 1. Information sharing 2.Problem sharing 3.Idea sharing. According to Ernest Dale, there can be four levels in workers’ participation in management, 1.Informal co operation 2.Advisory cooperation 3.constructive cooperation 4.Joint determination. Mhetras there are five levels of workers’ participation in management 1.Informative participation
2. Consultative participation 3. Associative participation
4. Administrative participation 5. Decisive participation

The above discussions portray that the human relation is multi-faceted concept and maintaining it is a key for any industrial setting. The next chapter focuses its attention on review of the studies conducted earlier on human relations in India and beyond.