CHAPTER - VII

INDUSTRIAL RELATIONS
INDUSTRIAL RELATIONS

Definition and Concept of Industrial Relations (IR)

According to Dale Yoder, industrial relations is a whole, field of relationship that exists because of the necessary collaboration of men and women in the employment process of an industry¹.

The International Labor Organization (ILO) stated that "industrial relations deal with either the relationships between the state and employers' and workers organizations or the relations between the occupational organizations themselves".²

V.B. Singh defined industrial relations as "an integral aspect of social relations arising out of employer-employee interaction in modern industries, which are regulated by the state in varying degrees in conjunction with organized social forces and influenced by prevailing institutions. This involves a study of the state, the legal system, workers' and employers' organizations at the institutional level; and that of patterns of industrial organization (including management), capital structure (including technology), compensation of the labor force and market forces at the economic level."³

According to Encyclopedia Britannica, "the concept of industrial relations has been extended to denote the relations of the state with employers, workers and their organizations. The subject, therefore, includes individual relations and joint consultation between employers and work people at their work place; collective relations between employers and their organizations and trade unions and the part played by the state in regulating these relations."⁴
In a Nutshell IR can be understood as Follows:

- Industrial relations is an outcome of employer-employee relationship in an organization
- Industrial relations facilitates harmonious relationships in an organization by setting a framework for the management and the employees
- Industrial relations is based on mutual compromise and adjustment, for the benefit of both the parties involved
- The state and the legal system also have a role to play is the maintenance of a conflict-free industrial environment
- The different parties in the system with a well-defined role are the management, the employees and the unions.

Objectives of Industrial Relations:

The objectives of industrial relations are:

i. To safeguard the interests of the labor and the management by preventing one of the players from getting a strong hold over the other.

ii. To develop and secure mutual understanding and good relationship among all the players in the industrial set-up.

iii. To maintain industrial peace and harmony by preventing industrial conflicts.

iv. To improve the standard of living of the average worker by providing basic and standard amenities.

v. To increase productivity by, minimizing industrial conflicts and maintaining harmonious industrial relations.

vi. To ensure discipline in the organization and in the industry.

vii. To provide basic framework for the management and the employees to
resolve their differences.

viii. To improve the bargaining capacity of the workers through trade unions.

**Industrial Disputes Prevention Machinery:**

Organizations, over the ages, have realized that understanding and resolving workers' grievances before they assume the complex shape of industrial disputes, is better than handling strikes and lockouts.

The way in which organizations work has changed tremendously in the last 15-20 years. There has been a paradigm shift in the attitudes of both the management and the workers. Both are conscious that maintaining harmonious industrial relations would enhance productivity, and help the organization to survive and grow in an immensely competitive environment. Hence, there is an increased focus on preventing any kind of industrial disputes arising out of conflict of opinions and clash of interests between the management and the workforce.

**There are various means of preventing industrial disputes. They are:**

1) Worker Participation — Worker’s participation in management is to be encouraged. This follows the employees to get involved in the management decisions, and therefore abide by the decisions taken. This would also enhance their commitment and loyalty for the organization. An employer employing hundred or more workers is required to create a works committee comprising of representatives from the management and the workers, for the purpose of resolving conflicts. Works committee is explained in detail subsequently in the chapter.
2) Employee Grievances Redressal Machinery - Designing and implementing an effective and efficient employee grievances redressal procedure helps the management in preventing individual grievances from taking the shape of industrial disputes.

3) Voluntary Arbitration - It is an initiative taken by the two parties involved in the dispute, to invite the intervention of a third party for settlement. The arbitrator is chosen by mutual agreement of both the parties.

4) Conciliation - If the management and the unions fail to resolve their differences through collective bargaining or arbitration, the next step is conciliation. The conciliator facilitates an agreement between the two parties by offering advice and consultancy. The conciliating authority can be the Conciliation Officer of that area/industry or a Board of Conciliation, constituted by the government.

5) Court of Enquiry - The Court of Enquiry can be constituted by the government to inquire into the dispute and come out with the facts of the dispute. The court does not have any power to give its verdict on the dispute and only assists the process of conciliation.

6) Tripartite Bodies - Tripartite bodies like the Indian Labor Conference, Standing Labor Committee and Industrial Committees help the government in settling industrial disputes through agreements.

7) Adjudication - An industrial dispute results in a strike, lock-out or temporary suspension of activities of the organization. To avert this, the last resort is adjudication. At this stage, the legal machinery of the state intervenes to settle the dispute and provides guidelines to the
management and the employees. The decision taken at this stage has a legal binding on both the parties. The different stages under adjudication are:

i. Labor Courts — The state government for settlement of industrial disputes can constitute it. It deals with matters related to standing orders application and interpretation, discharge or dismissal of a worker, withdrawal of customary benefits and gratuity or a lock out.

ii. Industrial Tribunals — Industrial tribunals deal with all matters within the jurisdiction of labor courts and matters related to compensation, work hours and shifts, leaves and holidays, payment of bonus, provident fund, gratuity, discipline, retrenchment and closure of the establishment.

iii. National Tribunals - National tribunal is constituted when an industrial dispute effects more than one state in the country or when the firm in question operates in more than one state. They cover all the issues covered under the industrial tribunals.

An effective and efficient industrial disputes prevention machinery helps in avoiding conflicts and maintaining healthy industrial relations, for the well being of the organization and its employees. However, other factors like worker participation, management’s concern for employees, organizational culture and the long-term relationship between the management and the workers of an organization, also a play a crucial role in maintaining harmonious industrial relations.
The recent strike at Toyota Kirloskar Motors, the disturbances at L&T Komatsu and BPL and the lockout at Bata, all in Karnataka, which has been promoting itself as a state with cordial industrial relations has brought to the fore the fact that contentious labor issues will not go away simply because the way of doing business is changing in the country. And as industrial units, especially those from the old economy with labor-intensive processes, lobby for labor reforms, labor unions are battling for the rights of the working class that are gradually getting eroded.5

As for industrial disputes, managements have been hardening their stand. For instance, they have started productivity-linked wages and incentives and are insisting on including a productivity clause in any settlement with the unions.

With foreign direct investment have come MNCs, with their management practices, productivity principles, quality-consciousness, time-linked delivery schedules and reduced process time. And to keep up with the competition, domestic companies too are following suit.

However, many of these management and production practices from abroad are still to find acceptance among the working class in our country.

**Industrial Relations in refrigeration and air conditioning industry**

Especially refrigeration and air conditioning industry happens to be an organized industry and it present from quite for a long time. The main players of the industry are taking keen interest in the maintenance of IR.

It is attempted to find the opinions of employee and management respondents about the situation of IR and IR disputes in their respective industries with the help of table 7.1 and 7.2 respectively.
## TABLE NO. 7.1

**OPINIONS OF EMPLOYEE RESPONDENTS ABOUT THE INDUSTRIAL RELATIONS & IR DISPUTES:**

<table>
<thead>
<tr>
<th>SI No</th>
<th>Statement</th>
<th>Blue Star Limited</th>
<th>Voltas Limited</th>
<th>Carrier India Ltd.</th>
<th>Thermax India Ltd.</th>
<th>Tecumseh India Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Weighted Average</td>
<td>Weighted Average</td>
<td>Weighted Average</td>
<td>Weighted Average</td>
<td>Weighted Average</td>
</tr>
<tr>
<td>1</td>
<td>I have good relations with my supervisors.</td>
<td>0.16</td>
<td>0.08</td>
<td>-0.04</td>
<td>-0.2</td>
<td>-0.4</td>
</tr>
<tr>
<td>2</td>
<td>I have good relations with my Sub-ordinates.</td>
<td>0.18</td>
<td>0.38</td>
<td>0.28</td>
<td>0.34</td>
<td>-0.12</td>
</tr>
<tr>
<td>3</td>
<td>I have good relations with my colleagues.</td>
<td>0.56</td>
<td>0.82</td>
<td>-0.06</td>
<td>0.3</td>
<td>0.08</td>
</tr>
<tr>
<td>4</td>
<td>When there are disputes efforts are made to solve in congenial environment.</td>
<td>0.7</td>
<td>0.82</td>
<td>-0.04</td>
<td>0.16</td>
<td>0.12</td>
</tr>
<tr>
<td>5</td>
<td>Disputes are handled openly</td>
<td>0.28</td>
<td>0.4</td>
<td>0.32</td>
<td>-0.12</td>
<td>-0.14</td>
</tr>
<tr>
<td>6</td>
<td>It is clear to me whenever my boss is attempting to guide my work efforts.</td>
<td>0.36</td>
<td>0.64</td>
<td>0.84</td>
<td>-0.1</td>
<td>-0.1</td>
</tr>
<tr>
<td>7</td>
<td>I have established the relationships that I need to do my job properly.</td>
<td>0.74</td>
<td>0.62</td>
<td>0.68</td>
<td>0.02</td>
<td>-0.34</td>
</tr>
<tr>
<td>8</td>
<td>There is no evidence of unresolved complicit or dispute in this organisation.</td>
<td>0.18</td>
<td>0.22</td>
<td>-0.24</td>
<td>-0.04</td>
<td>0.14</td>
</tr>
<tr>
<td>9</td>
<td>Other work units are helpful in my work unit when ever assistance is requested.</td>
<td>0.72</td>
<td>0.56</td>
<td>0.6</td>
<td>-0.02</td>
<td>0.1</td>
</tr>
<tr>
<td>10</td>
<td>My relationship with members of my work are friendly and professional</td>
<td>0.28</td>
<td>0.08</td>
<td>-0.34</td>
<td>0.22</td>
<td>0.28</td>
</tr>
</tbody>
</table>

Source: Primary Data
### TABLE NO. 7.2

**OPINIONS OF MANAGEMENT RESPONDENTS ABOUT THE INDUSTRIAL RELATIONS & IR DISPUTES:**

<table>
<thead>
<tr>
<th>SI No</th>
<th>Statement</th>
<th>Blue Star Limited</th>
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<th>Thermax Inda Ltd.</th>
<th>Tecumseh India Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>When there are disputes efforts are made to solve in congenial environment.</td>
<td>0.9</td>
<td>0.85</td>
<td>-0.05</td>
<td>0.3</td>
<td>0</td>
</tr>
<tr>
<td>2</td>
<td>Disputes are handled openly.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>There is no evidence of unresolved conflict or dispute in this organization.</td>
<td>0.95</td>
<td>0.35</td>
<td>0.65</td>
<td>0</td>
<td>-0.15</td>
</tr>
</tbody>
</table>

Source: Primary Data
It is in all the respondent companies that the employees have good relation with each other and with their superior's, subordinates and colleagues. The opinions expressed by employee respondents according to table 7.1 are positive in this regard. These aspects are better in Volta's compared to Thermax, Blue Star, Career and Tecumseh.

The management and employee respondents concurred with each other with regard to handling of disputes openly and the attempts made by the management in resolving the disputes in a congenial way. This is the area of concern for the management of Thermax and Tecumseh companies because the calculated values in this regard are negative values.

The conflicts are resolved immediately in all the companies except Thermax and Tecumseh; the calculated weighted averages are Blue Star 0.95, Career 0.65, Voltas 0.35, Thermax -0.13 and Tecumseh -0.15

For the smooth running of the work or for the progress of the organization it is must to have good relation with the all the possible relationships and hierarchies, the same is found to be positive in all the respondent companies except the fact that other units help/cooperation in completing the individual employees work in Thermax and Tecumseh the calculated weighted averages are -0.1 and -0.21 respectively according to the employee respondents opinion. This shows lack of cooperation among colleagues in the organization.

DISCIPLINE

According to Earl R. Bremblett, discipline in its broadest sense means “orderliness, the opposite of confusion. It does not mean a strict and technical observance of rigid rules and regulations. It simply means working,
cooperating and behaving in a normal and orderly way, as any responsible person would expect an employee to do".  

Employees should adhere to the rules and regulations laid out by the organization to ensure order and discipline. But not all employees accept the responsibility of disciplining themselves. When employees indulge in acts of indiscipline, the organization is forced to take action against them to discourage such behavior. In such cases, merely trying to motivate these employees so that they adhere to the accepted norms of responsible employee behavior may not be enough. Such employees may require some degree of external disciplinary action like punishment.

An employee is subjected to disciplinary action when he fails to meet some obligations towards his job or the organization. The primary objective of disciplinary action is to make an employee conform to the organization's rules and regulations.

**Aims and Objectives of Discipline:**

The aims and objectives of discipline are:

- To ensure and enable employees to work in accordance with the rules and Regulations of the organization.
- To ensure that employees follow the organizational processes and procedures in spite of their different personalities and behavior.
- To provide direction to the employees and fix responsibilities.
- To improve organizational performance by improving the efficiency of each employee.
- To maintain a sense of orderliness and conformity to organizational rules.
To maintain common feelings of trust and confidence in employees towards each other and towards the management.

It is essential to have capable and knowledgeable supervisors for a smooth and disciplined working of the organization. It is the responsibility of the supervisors to ensure that all employees are aware of the need to maintain organizational discipline and the implications of indiscipline. However, they should take care not to use force and disciplinary procedure depends on the cooperation of both the employer and the employee towards accomplishing the organizational goals.

**Forms and Types of Discipline:**

Discipline among employees can be achieved in two ways, either through rewards or through penalties. Based on this, discipline can be classified into two types:

- Self-imposed or positive discipline.
- Enforced or negative discipline.

**Acts of Indiscipline or Misconduct:**

Misconduct or an act of indiscipline impairs the organization, tarnishes its reputation and leads to employee unrest. If not tackled immediately, these acts can lead to disciplinary problems. Disciplinary problems can be classified into three types. They are:

- Minor infractions
- Major infractions
- Intolerable offences
Minor infractions are acts of misconduct that cause very little harm but if neglected, can accumulate and result in serious for the organization. They may relate to coming late to work, negligence etc. Major infractions interfere with the orderly operation of the organization and affect the morale of the employees. They relate to cheating, stealing, violating safety regulations etc. Intolerable offences are those that can cause serious harm and damage to the organization. Examples of such misconduct include use of alcohol/drugs while at work, smoking in the workplace where inflammables are stored and instigating co-workers in a situation of conflict.

The basic acts of misconduct or indiscipline in refrigeration and air conditioning industry can be categorized as follows:

**Attendance:** Attendance is one of the major problems that managers encounter in organizations. It relates to misuse of leave facilities, tardiness and absenteeism. This is more prevalent among unskilled/semi-skilled workers and junior management level employees. The reasons for attendance problems could be:

- Incongruence in employee and organizational goals
- Personality characteristics, like attitude towards work
- Unpleasant relationships with supervisor/s and co-workers
- Ensured job security leading to a relaxed and uninterested approach

**On-the-Job Behavior:** An employee’s behavior should be in accordance with the rules and regulations laid out by the organization. Any behavior that hampers the work of the individual or disturbs the performance of other employees demands disciplinary action. Such type of behavior includes rough or noisy behavior, fighting with colleagues, sexual harassment, failure
to use safety devices, carelessness and the abuse of alcohol and drugs. All these actions are in violation of organizational rules. These violations are very easy to identify and need immediate corrective action.

**Reasons for such acts of indiscipline can be:**

- Lack of proper upbringing and education;
- Work-related pressures and strained relationships;
- General attitude and personality of the individual

**Dishonesty:** Dishonesty is not only stealing or misusing organizational resources. It could also involve claiming a colleague’s work, cheating, spying, working below potential etc. Dishonesty brings in distrust among the employees and between the management and the employees. Once an employee loses his credibility and the trust invested in him he might contemplate parting ways with the organization or vice-versa. The reasons for dishonesty could be:

- Social and economic pressures;
- Lack of proper upbringing and education;
- Personality characteristics of the employee;
- Biased and subjective performance evaluation systems.

**Causes of Indiscipline and Misconduct:**

Indiscipline relates to disorderliness at work and non-conformity to the prescribed rules and regulations of the management. Some of the causes of indiscipline are:

- When an employee has to perform a job that does not suit his qualifications, experience and aptitude, it can lead to employee frustration and de-motivation. This can lead to acts of misconduct like
irregular attendance, tardiness at work etc.

- Strained relationships with the supervisor or with colleagues can force an employee to indulge in acts of indiscipline similar to the ones stated above.

- Improper or biased evaluation of individuals and, their performance can result in demotivated employees, who might resort to misconduct to express their dissatisfaction and distress.

- An inefficient, ineffective and closed-door grievance redressal procedure in an organization can result in indiscipline of employees, who are dejected and frustrated.

- Loss of trust or confidence in each other, or in the management, can make employees behave in an in-disciplined manner.

- Lack of proper education and upbringing of the workers can also lead to indiscipline at work.

- Improper or inconvenient working conditions can lead to acts of indiscipline by workers.

- Ambiguous work responsibilities, organizational policies and procedures also lead to frustration among employees and result in misconduct.

- Social and economic pressures or compulsions, outside the purview of the organization, may also lead to indiscipline and misconduct of employees.

- Targets beyond the capacity of a worker may also make him to escape from the given work.
All these causes indicate that most of the reasons of indiscipline are internal to the organization. Some reasons are personality specific and a few are due to external factors like social and economic pressures. Therefore, having the right organizational culture and a good manager are important to guide and help employees towards fulfilling their tasks in a disciplined manner. At the same time employees should also be cooperative and should show an equal sense of responsibility to maintain discipline.

**DISCIPLINARY PROCEDURE IN REFRIGERATION AND AIR CONDITIONING INDUSTRY:**

When the researcher interacted with the officials of HR Department and Trade Union office bearers they have detailed the disciplinary procedure in the following way.

i) Forming and Issuing a Charge Sheet

ii) Issuing the Notice of Enquiry

iii) Holding a Full-fledged Enquiry

iv) Final Order of Action

v) Follow-up

**Types of Disciplinary Action:**

With regard to this they have further continued in the following way

- Verbal Warning
- Written Warning
- Suspension:
- Demotion
- Pay Cut
Code of Discipline in the Indian Industry Refrigeration and Air Conditioning Industry:

The code of Discipline in the Indian industry was formulated on the recommendations of the Indian Labor Conference held in New Delhi in the year 1957. The Code was made applicable to the industry from 1st June 1958. The main aim of the Code was to lay down certain principles of discipline that govern the Indian industry. The basic features of the Code of discipline are as follows:

• Both the management and the employees should abide by certain self-imposed rules in order to avoid disputes. In case disputes arise, they should be settled through negotiation, conciliation and voluntary arbitration.

• Each party should acknowledge and respect each other’s rights and responsibilities.

• No party should take any unilateral decision regarding any disputes. The existing machinery for settlement should be utilized.

• The code discourages litigation and lays emphasis on settlement of disputes through negotiation, conciliation and voluntary arbitration rather than through adjudication.

• Acts of violence, coercing, intimidation or incitement should not be indulged in.

• There should be precision and speedy implementation of disciplinary action and any agreements reached.

• Employees and trade unions can take appropriate actions in case they find officers and supervisors indulging in activities, which are
against the Code.

- The trade union must be recognized in accordance with the criteria laid down for this purpose. Only unions that observe the Code of Discipline are entitled to recognition.

The opinions and employee and management are sought and the responses are recorded. The weighted averages of the same are presented in Tables 7.3 and 7.4.
The discipline procedure of the organization is very clear to all the Employees. The disciplinary process is immediate and transparent. The disciplinary action is compulsory for all the employees. There is no indiscipline which went without disciplinary action. Given a change I would like to change the disciplinary procedure in the organization.

### TABLE NO. 7.3

**OPINIONS OF EMPLOYEE RESPONDENTS ABOUT THE DISCIPLINE:**

<table>
<thead>
<tr>
<th>Si No</th>
<th>Statement</th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Weighted Average</td>
<td>Weighted Average</td>
<td>Weighted Average</td>
<td>Weighted Average</td>
<td>Weighted Average</td>
</tr>
<tr>
<td>1</td>
<td>The discipline procedure of the organization is very clear to all the Employees.</td>
<td>0.62</td>
<td>0.56</td>
<td>0.42</td>
<td>0.26</td>
<td>-0.18</td>
</tr>
<tr>
<td>2</td>
<td>The disciplinary process is immediate and transparent</td>
<td>0.22</td>
<td>0.40</td>
<td>0.38</td>
<td>-0.08</td>
<td>-0.10</td>
</tr>
<tr>
<td>3</td>
<td>The disciplinary action is compulsory for all the employees</td>
<td>0.30</td>
<td>0.30</td>
<td>0.30</td>
<td>-0.32</td>
<td>-0.22</td>
</tr>
<tr>
<td>4</td>
<td>There is no indiscipline which went without disciplinary action</td>
<td>0.40</td>
<td>0.46</td>
<td>0.22</td>
<td>-0.08</td>
<td>-0.04</td>
</tr>
<tr>
<td>5</td>
<td>Given a change I would like to change the disciplinary procedure in the organization</td>
<td>-0.16</td>
<td>-0.10</td>
<td>-0.20</td>
<td>0.44</td>
<td>0.46</td>
</tr>
</tbody>
</table>

Source: Primary Data
### TABLE NO. 7.4

**OPINIONS OF MANAGEMENT RESPONDENTS ABOUT THE DISCIPLINE:**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Blue Star Limited</th>
<th>Voltas Limited</th>
<th>Carrier India Ltd.</th>
<th>Thermax India Ltd.</th>
<th>Tecumseh India Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The discipline procedure of the organization is very clear to all the employees.</td>
<td>0.5</td>
<td>0.65</td>
<td>0.75</td>
<td>-0.05</td>
<td>-0.25</td>
</tr>
<tr>
<td>2. The disciplinary process is immediate and transparent.</td>
<td>0.35</td>
<td>0.75</td>
<td>0.35</td>
<td>0.05</td>
<td>0.05</td>
</tr>
<tr>
<td>3. There is no indiscipline which went without disciplinary action.</td>
<td>0.8</td>
<td>0.3</td>
<td>0.35</td>
<td>0.05</td>
<td>-0.15</td>
</tr>
</tbody>
</table>

*Source: Primary Data*
In all the sample companies, the discipline is maintained properly. The researcher derived this conclusion with the help of tables 7.3 and 7.4 where in the opinions of employee and management respondents are recorded to find out the disciplinary procedure.

It is found that majority of the respondents opined that, the disciplinary procedure of the organization is very clear to all the Employees, the disciplinary process is immediate and transparent in all the organizations and there is no indiscipline which went without disciplinary action. These aspects are positive as per the calculated weighted averages of both of employee and management respondents.

Interestingly when employee respondents were asked whether they would like to change the disciplinary procedure in their respective organization if they were given a chance to change, as per the calculated weighted averages it is found that the employee respondents of career are not for change (weighted average is -0.2), compared to Blue Star (weighted average is -0.16), Voltas (weighted average is -0.1), Thermax (weighted average is 0.44) and Tecumseh (weighted average is 0.46). The disciplinary procedure and the system of disciplinary procedure and further understanding of the same is good in all the organizations except that of Thermax and Tecumseh.

It is observed by the researcher here that employees of Thermax and Tecumseh are not satisfied with most of the conditions regarding placement development and maintenance. On the same lines here they have responded positively to change disciplinary procedure.
GRIEVANCES

What exactly is grievance? C.B. Marnoria brought out the difference between dissatisfaction, grievance and complaint. Dissatisfaction arises when an individual is not happy in his job and when the organization does not recognize the individual's goals. This dissatisfaction leads to complaints when individual discusses it with another employee in the organization. When the dissatisfaction related to the work is brought to the notice of the management, the complaint becomes a grievance.

A grievance is a sign of an employee’s discontent, either with the job or the organization. The gap between employee expectations and organizational rewards normally leads to a grievance. An unpleasant relationship with the supervisor can sometimes lead to a grievance. Dale S. Beach defined grievance as dissatisfaction or feeling of injustice in connection with one's employment situation that is brought to the notice of the management.

Causes of Grievance:

Grievances can also arise out of the day-to-day working relations in an undertaking. Relations with supervisors and other colleagues also determine employee's job satisfaction. According to the National Commission on Labor, "the complaints affecting one or more individual workers in respect of their wage payments, overtime, leave, transfer, promotion, seniority, work assignment and discharge would constitute grievances." Such grievances, if not dealt with immediately and in accordance with a procedure that secures the respect of all parties, can result in a climate of industrial conflict.
The researcher was able to gather certain important factors, which gives rise to grievances through informal discussions with employees.

The different factors that can result in employee grievances in Refrigeration and Air conditioning Industry are:

- Dissatisfaction of the employee with his compensation like incentives or different components of compensation like incentives or benefits.
- Employee disappointment resulting from denial of a promotion or a transfer;
- Unpleasant relationships with supervisor/s and other colleagues;
- Unhealthy or harmful working conditions;
- Job assignments that do not match employee aptitude or skill;
- Lack of adequate resources to achieve objectives of the job;
- Denial of leave; overtime or other benefits.

**STEPS FOLLOWED IN REFRIGERATION AND AIR CONDITIONING INDUSTRY – GRIEVANCE REDRESSAL PROCEDURE:**

An organization can design its own grievance redressal procedure, in consensus with its union. The National Commission on Labor° has suggested a 'model procedure for grievance redressal too.

1) In the initial or the first stage, the employee conveys his grievance verbally to his supervisor, (or the designated officer). In case the supervisor fails to respond within the prescribed time limit of 48 hours, the employee approaches the next level in the redressal procedure

2) At this level, the employee fills up the grievance redressal form of the
company and approaches the head of his department with it. The departmental representatives play a role in the redressal procedure, from this stage. The head of the department has 3 days to reach a settlement, failing which the grievance reaches the next level.

3) The third level in the redressal procedure is the Grievance Committee. The committee is given 7 days to discuss the issue with the employee and reach a settlement. In case of a unanimous decision, the management has to implement it. Otherwise, the management is given 3 days to communicate its decision. In case of a failure at this stage, the grievance is taken to the fourth stage.

4) In the fourth stage of employee redressal, the employee and the departmental representative appeal to the management to review its decision. The management has a week's time to revise it. In case there is no change in the decision, the issue may be referred to the union.

The guiding principles that evolved from the code of discipline were tested with the employee and management respondents with the help of tables 7.5 and 7.6.
## TABLE NO. 7.5

**OPINIONS OF EMPLOYEE RESPONDENTS ABOUT THE GRIEVANCES:**

<table>
<thead>
<tr>
<th>SI No</th>
<th>Statement</th>
<th>Blue Star Limited</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Employees do not hesitate to come forward with their Grievances.</td>
<td>0.62</td>
<td>0.5</td>
<td>0.14</td>
<td>-0.08</td>
<td>-0.38</td>
</tr>
<tr>
<td>2</td>
<td>I feel the grievances are dealt promptly.</td>
<td>0.24</td>
<td>0.16</td>
<td>0.06</td>
<td>-0.02</td>
<td>-0.02</td>
</tr>
<tr>
<td>3</td>
<td>Employees have many grievances which are not expressed.</td>
<td>0.04</td>
<td>0.18</td>
<td>0.1</td>
<td>-0.1</td>
<td>-0.11</td>
</tr>
</tbody>
</table>

Source: Primary Data
### OPINIONS OF MANAGEMENT RESPONDENTS ABOUT THE GRIEVANCES:

<table>
<thead>
<tr>
<th>SI No</th>
<th>Statement</th>
<th>Blue Star Limited</th>
<th>Voltas Limited</th>
<th>Carrier India Ltd.</th>
<th>Thermax India Ltd.</th>
<th>Tecumseh India Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Weighted Average</td>
<td>Weighted Average</td>
<td>Weighted Average</td>
<td>Weighted Average</td>
<td>Weighted Average</td>
</tr>
<tr>
<td>1</td>
<td>Employees do not hesitate to come forward with their Grievances.</td>
<td>0.6</td>
<td>0.5</td>
<td>0.5</td>
<td>-0.1</td>
<td>-0.15</td>
</tr>
<tr>
<td>2</td>
<td>I feel the grievances are dealt promptly.</td>
<td>0.8</td>
<td>0.75</td>
<td>0.15</td>
<td>0.05</td>
<td>-0.55</td>
</tr>
<tr>
<td>3</td>
<td>Employees have many grievances which are not expressed.</td>
<td>0.23</td>
<td>0.25</td>
<td>0.12</td>
<td>0.05</td>
<td>-0.15</td>
</tr>
</tbody>
</table>

Source: Primary Data
It is observed that both the employee and management respondents do not hesitate to come forward with their grievances, they feel that grievance are dealt properly and do not have any grievance which did not expressed by them in all the respondent companies except in Thermax and Tecumseh.

COLLECTIVE BARGAINING:

The term collective bargaining was coined by Sydney Webb and Beatrice Webb, who believed that collective bargaining was the collective equivalent to individual bargaining, whose primary aim was achieving economic advantage. This viewpoint of Sydney Webb and Beatrice Webb was popularly known as the 'critical viewpoint'. Later, experts in the field of industrial relations gave many definitions.

The main features of collective bargaining are:

- Group Activity
- Activity in Levels
- Flexibility
- Win-win Situation

Recommendations of the National Commission on Labor:

The National Commission on Labor in 1969 made the following recommendations after considering the problems that hampered the success of collective bargaining:

1) Government intervention in industrial relations, particularly in the settlement of industrial disputes, should be reduced gradually to the minimum possible extent. Compulsory adjudication of disputes should be used only as a last resort.
2) Trade unions should be strengthened, both organizationally and financially by amending the Trade Union Act of 1926 to make registration of unions compulsory, enhance the union membership fee, reduce the presence of outsiders in the union executive and among the office bearers and increase the minimum number of members in respect of unions applying for registration.

3) Legal provision may be made either by separate legislation or by amending an existing enactment for:
   - Compulsory recognition of trade unions and certification of unions as bargaining agents
   - Prohibition and penalization of unfair labor practices
   - Bargaining in good faith by both employers and union
   - Conferring legal validity and legitimacy on collective agreements

COLLECTIVE BARGAINING IN REFRIGERATION AND AIR CONDITIONING INDUSTRY

Objectives of Collective Bargaining:

Collective bargaining has benefits not only for the present, but also for the future. The objectives of collective bargaining are:

- To provide an opportunity to the workers to voice their problems on issues related to employment
- To facilitate reaching a solution that is acceptable to all the parties involved
- To resolve all conflicts and disputes in a mutually agreeable manner
• To prevent any conflicts/disputes in the future through mutually signed contracts
• To develop a conducive atmosphere to foster good industrial relations
• To resolve issues through third-party (government) involvement in case of conflicting interests of the parties involved
• To provide stable and peaceful industrial relations in the organization
• To enhance the productivity of the organization by preventing strikes, lockouts etc.

The following conditions were found by the researcher in Refrigeration and air conditioning Industry in general discussion with respondents with regard to collective bargaining:

• There should be a single union, or in case of multiple unions, a common agreement among them. Clash of interests among unions leads to chaos and uncertainty which would result in a loss to the employees.

• Management should be open to the requests of the trade unions and should identify the union representatives.

• The culture of the organization should foster the right spirit for collective bargaining to be successful.

• The role of a third party should be minimized and agreements should be based on bipartite bargaining.

• All the parties involved should aim at a win-win situation and not a win lose situation. The common interests of the organization and its employees should be taken into consideration while reaching any agreement.
An attempt is made to find out whether at least the core objectives of the collective bargaining are met out or not with the help of employee and management respondents. The summaries of these responses are recorded in Tables 7.7 and 7.8.
### Table No. 7.7

**Opinions of Employee Respondents about the Collective Bargaining:**

<table>
<thead>
<tr>
<th>SI No</th>
<th>Statement</th>
<th>Blue Star Limited</th>
<th>Voltas Limited</th>
<th>Carrier India Ltd.</th>
<th>Thermax India Ltd.</th>
<th>Tecumseh India Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Weighted Average</td>
<td>Weighted Average</td>
<td>Weighted Average</td>
<td>Weighted Average</td>
<td>Weighted Average</td>
</tr>
<tr>
<td>1</td>
<td>Bargaining Environment in the organization is healthy and open.</td>
<td>0.54</td>
<td>0.48</td>
<td>0.74</td>
<td>-0.04</td>
<td>-0.12</td>
</tr>
<tr>
<td>2</td>
<td>Management and employees believe that collective bargaining is basic tool to resolve disputes.</td>
<td>0.62</td>
<td>0.3</td>
<td>0.6</td>
<td>-0.06</td>
<td>-0.12</td>
</tr>
<tr>
<td>3</td>
<td>Employees have enough opportunity to bargain.</td>
<td>0.5</td>
<td>0.74</td>
<td>0.54</td>
<td>-0.2</td>
<td>-0.06</td>
</tr>
</tbody>
</table>

**Source:** Primary Data
## TABLE NO. 7.8

OPINIONS OF MANAGEMENT RESPONDENTS ABOUT THE COLLECTIVE BARGAINING:

<table>
<thead>
<tr>
<th>SI No</th>
<th>Statement</th>
<th>Blue Star Limited</th>
<th>Voltas Limited</th>
<th>Carrier India Ltd.</th>
<th>Thermax India Ltd.</th>
<th>Tecumseh India Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Bargaining Environment in the organization is healthy and open</td>
<td>1</td>
<td>0.2</td>
<td>0.7</td>
<td>-0.1</td>
<td>-0.45</td>
</tr>
<tr>
<td>2</td>
<td>Management and employees believe that collective bargaining is basic tool to resolve disputes.</td>
<td>0.55</td>
<td>0.2</td>
<td>0.6</td>
<td>0</td>
<td>-0.15</td>
</tr>
<tr>
<td>3</td>
<td>Employees have enough opportunity to bargain.</td>
<td>0.75</td>
<td>0.4</td>
<td>0.55</td>
<td>0</td>
<td>-0.4</td>
</tr>
</tbody>
</table>

**Source:** Primary Data
It is found from the table 7.7 and 7.8 that bargaining environment in the organization is healthy and open both management and employees believe that collective bargaining is basic tool to resolve disputes and employees have enough opportunity to bargain in their respective organizations these are the opinions expressed by both the employee and management respondents of Blue Star, Voltas and Carrier. The calculated weighted average values are positive in these companies whereas, it is not the same condition in Thermax and Tecumseh because the calculated weighted averages on the scale of went as far as −0.2. The employees and managers responded negatively to all most all dimensions. Regarding collective bargaining the employees went on to rate up to −0.2 for opportunity to bargain? It is alarming to note that even managers responded either negatively or method to this aspect.

TRADE UNIONS:

The Indian Trade Unions Act of 1926\textsuperscript{12} [Sec. 2(B)] defines a trade union as any combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen or between employers and employers or for imposing restrictive conditions on the conduct of any trade or business, and includes any federation of two or more trade unions". According to Dale Yoder, a trade union is a continuing long-term association of employees, formed and maintained for the specific purpose of advancing and protecting the interest of the members in their working relationship.

According to Dale Yoder, a trade union is a continuing long-term
association of employees, formed and maintained for the specific purpose of advancing and protecting the interest of the members in their working relationship.

**Declining Trade Union Memberships:**

The CPM’s labour arm, the Center of Indian Trade Unions (CITU), suggests a second look at the entire trade union movement. Its general secretary M.K. Pandhe says that, “without a rethink, trade unions will become irrelevant in the era of liberalization and globalization”.  

The union’s report presented at the conference admitted that the CITU had not been able to expand the organization. The Indian trade union membership has also fallen to around 10 per cent.

**Functions of Trade Unions:**

a) Militant or intramural functions

b) Fraternal or extramural functions

c) Social functions

d) Political functions

e) Ancillary functions

**Current Issues of Trade Unions:**

There is large number of trade unions in India. However, these trade unions seem to have seen their peak and have not made any significant progress in recent times. The memberships of the trade unions are either dwindling or have reached stagnation. Some of the problems being faced by the trade unions are due to the environmental changes like the change in the management attitude; whereas some of them are self-created. The changing attitudes of the workers and the changes in the Indian economy
have also contributed to the change in the image of trade unions in Indian industry. The problems faced by Indian trade unions are discussed in detail here.

TRADE UNIONS IN REFRIGERATION AND AIR CONDITIONING INDUSTRY:

Refrigeration and Air conditioning industry is one of the oldest industries and which is an organized one and which deals with technical personnel. In this industry all most all the major trade unions are present in all the five respondents companies. The major of them are AITUC, CITU, BMS, and INTUC etc.

Opinions of employee and management respondents solicited are recorded in table 7.9 and 7.10
### TABLE NO. 7.9

**OPINIONS OF EMPLOYEE RESPONDENTS ABOUT THE TRADE UNIONS:**

<table>
<thead>
<tr>
<th>Sl No</th>
<th>Statement</th>
<th>Blue Star Limited</th>
<th>Voltas Limited</th>
<th>Carrier India Ltd.</th>
<th>Thermax India Ltd.</th>
<th>Tecumseh India Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Weighted Average</td>
<td>Weighted Average</td>
<td>Weighted Average</td>
<td>Weighted Average</td>
<td>Weighted Average</td>
</tr>
<tr>
<td>1</td>
<td>Trade Unions are very strong in my organization.</td>
<td>0.12</td>
<td>0.54</td>
<td>0.58</td>
<td>-0.28</td>
<td>-0.34</td>
</tr>
<tr>
<td>2</td>
<td>I feel safe being a member of trade union.</td>
<td>0.32</td>
<td>0.44</td>
<td>0.32</td>
<td>0.22</td>
<td>0.26</td>
</tr>
<tr>
<td>3</td>
<td>I feel that the trade unions are not given due chance in collective bargaining.</td>
<td>-0.48</td>
<td>-0.48</td>
<td>-0.18</td>
<td>0.5</td>
<td>0.56</td>
</tr>
<tr>
<td>4</td>
<td>There is unhealthy competition among the unions for domination.</td>
<td>-0.56</td>
<td>-0.4</td>
<td>-0.24</td>
<td>-0.34</td>
<td>-0.18</td>
</tr>
<tr>
<td>5</td>
<td>Trade Unions contribute towards good organization climate.</td>
<td>0.5</td>
<td>0.18</td>
<td>0.84</td>
<td>0.22</td>
<td>0.26</td>
</tr>
<tr>
<td>6</td>
<td>The management do not deal equitablity with the trade unions.</td>
<td>0.36</td>
<td>0.11</td>
<td>0.12</td>
<td>0.72</td>
<td>0.48</td>
</tr>
<tr>
<td>7</td>
<td>Union leaders show unnecessary domination in the organization issues.</td>
<td>0.22</td>
<td>0.48</td>
<td>0.4</td>
<td>0.58</td>
<td>0.64</td>
</tr>
<tr>
<td>8</td>
<td>Few unions dominate collective bargaining process.</td>
<td>0.18</td>
<td>-0.18</td>
<td>-0.52</td>
<td>0.52</td>
<td>0.64</td>
</tr>
</tbody>
</table>

Source: Primary Data
### TABLE NO. 7.10

**OPINIONS OF MANAGEMENT RESPONDENTS ABOUT TRADE UNIONS:**

<table>
<thead>
<tr>
<th>SI No</th>
<th>Statement</th>
<th>Blue Star Limited</th>
<th>Voltas Limited</th>
<th>Carrier India Ltd.</th>
<th>Thermax India Ltd.</th>
<th>Tecumseh India Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Trade Unions are very strong in my organization.</td>
<td>0.5</td>
<td>0.45</td>
<td>0.45</td>
<td>-0.15</td>
<td>-0.65</td>
</tr>
<tr>
<td>2</td>
<td>I feel that the trade union are not given due chance in collective bargaining.</td>
<td>-0.55</td>
<td>-0.65</td>
<td>-0.45</td>
<td>0.2</td>
<td>0.32</td>
</tr>
<tr>
<td>3</td>
<td>There is unhealthy competition among the unions for domination.</td>
<td>0.12</td>
<td>0.11</td>
<td>0.21</td>
<td>0.34</td>
<td>0.21</td>
</tr>
<tr>
<td>4</td>
<td>Trade unions contribute towards good organization climate.</td>
<td>0.35</td>
<td>0.2</td>
<td>0.2</td>
<td>-0.45</td>
<td>-0.6</td>
</tr>
<tr>
<td>5</td>
<td>Union leaders show unnecessary domination in the organization issues.</td>
<td>-0.1</td>
<td>-0.5</td>
<td>-0.05</td>
<td>-0.443</td>
<td>-0.34</td>
</tr>
<tr>
<td>6</td>
<td>Few Unions dominate collective bargaining process.</td>
<td>0.35</td>
<td>-0.25</td>
<td>0.5</td>
<td>0.15</td>
<td>-0.25</td>
</tr>
</tbody>
</table>

*Source: Primary Data*
It is found out that Trade Unions are very strong in their respective organization. The employee and management respondent's feel that the trade unions are given due chance in collective bargaining all the organizations except in Thermax and Tecumseh; the weighted averages are (0.5, 0.56 and 0.2, 0.32).

To bargain effectively there should be healthy atmosphere. When they were asked about this they informed that there is unhealthy competition among the unions for domination. This fact is agreed by majority of the employee and management respondents. It is agreed by majority that Union leaders show unnecessary domination in the organization issues.

When the employee respondents specifically asked whether they feel safe being a member of trade union the opinions expressed are affirmative, further they expressed that the management did not deal equitably with all the trade unions as per the table 7.9.
CONCLUSIONS:

The industries, which manufacture the products like refrigerators and air conditioners are highly organized industries and industrial relations play a vital role in achieving the firm's objectives.

The study conducted on IR in various industries reveals that IR in Voltas Ltd., are good enough in ensuring level playing field among various levels of organization as compared to Thermax, Blue Star, Carrier and Tecumseh Ltd.

But the management and employees of Thermax Ltd. And Tecumseh Ltd. Have divergent views on of Industrial Relations and functioning of disputes mechanism.

Therefore, the conflicts are resolved in level as and when they take place except the above two companies.

Based on the above information, it can be concluded that the IR of Tecumseh Ltd. and Thermax Ltd. would require to be improved to the extent as in Voltas Ltd. As per disciplinary procedure is concerned the research findings in selected sample units reveal the following:

- It is observed that there was a satisfactory level of discipline in all the levels of sample units and they felt that it is a prerequisite to be followed in line with the organizational objectives.

But the response of employees with regard to the change in disciplinary procedure is positive in Thermax and Tecumseh Ltd. and negative in Carrier Ltd., Blue Star Ltd. and Voltas Ltd.

Based on the above findings it can be concluded that there would be proper change in disciplinary procedure and system subject to the
specification of the requirement.

As per the response of both management and employees of Blue Star, Voltas and Carrier Ltd. the collective bargaining is basic tool to resolve disputes and employees have enough opportunity to bargain their discontent with respective automotives where as it is not positive in Thermax and Tecumseh Ltd. as it in the Blue Star, Voltas and Carrier Ltd.

Based on the finding from tables, it can be concluded that as a matter competing and keeping good productivity, the Tecumseh Ltd. and Thermax Ltd. should require to have good collective bargaining as in other sample units.

As per the data collected from the sample units, it is apparent, about the presence of all major trade unions viz. AITUC, CITU, BMS and INTUC etc.

The trade unions have enough say and participate in the objective bargaining as part of representing for and protecting of its member of all the sample units except Thermax and Tecumseh Ltd.

The common cause of concern that would affect the employees and management, all sample units’ vivacity among trade unions.

The employees also feel safe and secure to be a member of trade union. But they feel that the management did not have fair and equitable deal with all the trade unions.

From the above finding it can be concluded that there should be fair trade unionism to protect the interest of employees at large. Thermax and Tecumseh Ltd. would also require changing their mindset with regard to Trade Unions.
REFERENCES


