CHAPTER 1

OBJECTIVES, SURVEY OF THE LITERATURE AND THE METHOD OF STUDY

The object of this study is to examine the labour-management relations in the public sector in India. It attempts to study the attitudes of workers, trade union leaders and management personnel as well as some formal aspects of labour-management relations. However, the focus of the study is labour. The study proposes to examine the following aspects of labour-management relations in the public sector in India:

1. Formal aspects of personnel management such as recruitment, promotion, training, wages and welfare.
2. The satisfaction of workers from various elements of job situation and their aspirations.
3. The nature, extent, desire and capacity of workers to participate in decision making and the management personnel's acceptance of the concept of workers' participation in decision making.
4. The structure of trade unions and workers' involvement in them.
5. The nature of industrial unrest and the factors associated with it.
6. The attitude of workers towards militant action and its correlates.
7. The working of the collective bargaining and other methods of prevention and settlement of disputes.
Recruitment, promotion, training, wages and welfare facilities are important aspects of personnel policy effecting labour-management relations. A number of studies on these aspects have been conducted throughout the world from time to time. We may briefly refer to some of them. In the first place, we cite the studies of Prof. Rudrabasavraj and R.D. Agrawal. Their main focus was the major methods and sources of recruitment. They had found that while newspaper advertising was the most important method of recruitment, employee referral and gate recruitment method had also been frequently adopted. The second important aspect of research in this field, was the issue of the preference to be given to the local people. According to one survey of the recruitment of skilled and semi-skilled workers, in the backward state of Orissa, the ratio of local and displaced persons employed was only 30 per cent. The study by the Ministry of Labour and Employment, did not however, support this contention. It showed that preference to local persons was given in some of the public sector plants such as Hindustan Photo Films, Coalcomm, Mining and Allied Machinery Corporation Ltd., Burdwan.

Praga Tools Ltd., Secunderabad; and Bhilai Steel Plant Ltd., Bhilai. The Estimates Committee, the Committee on Public Undertakings, and the Report of the Study Group on Labour Problems in the public sector, recommended that local people should be preferred for the appointment of unskilled and semi-skilled jobs.

The National Commission on Labour, while discussing labour in the public sector, recommended that the criterion for promotion should be seniority at the lowest level, seniority-cum-merit at the middle level and merit at the higher level. The Committee on Public Undertakings also laid emphasis on seniority in the case of the lower level posts. However, some of the studies did not agree to this viewpoint. For example, M.S. Bala wanted promotion to be the business of the management and did not want curtailment in the right of the management to reward good work.

Bernard M. Bass and James V. Vaughan explored the effectiveness of training. They suggested that it had developed for the most part haphazardly on a trial-and-error basis and through imitation. Brown noted the gulf between knowledge and its

However, Rudrabasavraj, in his study of five public undertakings, showed that training programmes in these undertakings were conducted in terms of specific organizational needs.

Abdul Aziz discussed the problems of wage determination, wage structure and wage adjustment in the Indian situation. Warty discussed the scope, powers and functions of wage boards. The Implementation and Evaluation Division of the Ministry of Labour and Employment in a study of 341 public sector units, found that almost all the units had prescribed time scales of pay for all categories of employees. However, there was no uniformity in the rate of minimum wages paid to the lowest category of employees.

The Report of the study group on labour problems in the public sector discussed the per capita and total expenditure in various public sector enterprises.

A number of writers have argued that workers' satisfaction is not a unitary variable and that it would be more meaningful to

Therefore, we have tried to survey the literature on various aspects of job satisfaction such as wage satisfaction, interest in the job, satisfaction with supervisory behaviour, identification with the company, and aspiration for promotion.

**Wages Satisfaction**

Wages are an important determinant of job satisfaction. In an investigation, Smith and Kendall reported a correlation of 0.78 between the earning of men in 21 plants and their mean job satisfaction. Prof. Ganguly, commenting on the sources of satisfaction of Indian workers, observed "At present and in the foreseeable future, for the Indian worker in general, income (or wages) and security of service are going to be the two most important incentives." Donald and others found that persons with lower salaries were less satisfied with their pay than persons with higher salaries. Hersberg and his colleagues concluded that there was a tendency for the importance of wages to drop as the employees grew older at least until the age of 40. However,

Donald and others could not find any relationship between age and tenure on the one hand and wage satisfaction on the other.

T. Ganguli's study showed a tendency for workers with higher education to be more satisfied with regard to pay. It was hypothesized that skill and level of income, on the one hand and wage satisfaction on the other are positively related. It was also hypothesized that union members are more dissatisfied with their wages than non-members.

**Interest in the Job**

Interest in the job is another aspect of job satisfaction. R. Hoppock reported that 90 per cent of a group of 500 teachers liked their work. In contrast, B. M. Bell found that 98 per cent of young people working in canning factories and textile mills did not find the jobs to their liking. N. C. Morse found that a high level technical group had only 7 per cent of their members who fell into the category of low interest in the job compared with 41 per cent of the group doing repetitive clerical work. Moreover, this relationship was not reduced when length of service or salary were held constant. Smith, after studying a group of 75 women workers in a small knitwear mill found a negative relationship between age and monotony.

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Singh found that length of service and monotony were negatively related up to the first two years of service. After that the trend existed in the same direction but the results were not statistically significant. Goldthope & Others found that given a choice, whereas skilled workers preferred job with a highest intrinsic interest, unskilled workers preferred jobs with the highest income. In the present study, it was hypothesized that each of the variables — skill and training — is positively associated with interest in the job. Similarly, it was hypothesized that satisfaction from physical environment and interest in the job are also positively related. Length of service and interest in the job were expected to be negatively related.

**Satisfaction from Supervisory Behaviour**

The relationship between supervisory practices and workers' satisfaction shows a definite pattern in many studies. Hersey in a study of six thousand employees found that 75 per cent of them considered the boss as the most irritating factor in their job.

Bose, Desai, Ganguli, and Gopal Krishna & others found that employee-centered supervision led to greater satisfaction.

among workers. The survey conducted by Herzberg, Peterson and Capwell, in which data from 15 studies were compiled, established the relative importance of the factor of supervision. As a source of satisfaction, the nature of supervision was mentioned next only to 'relationship with co-workers'. It was rated fourth in the same list of job factors when considered as a source of dissatisfaction.\(^{35}\) Mitish R. De in his study of eight organizations in the year 1974 also indicated that job tension correlates negatively with superior-subordinate relations.\(^{36}\)

Gilmer suggested that college graduates compared to less educated people were more vocal in the criticism of their supervisors. He also stated that married workers with dependants were more conscious of the problem of good supervision than the unmarried workers.\(^{37}\) Smith also found that women were more sensitive to supervision than men.\(^{38}\) The findings of Smith were supported by M.S. Kanamidhi.\(^{39}\) Ganguli found that members of communist union showed greater dissatisfaction in their relations with their supervisor than the rank and file of the recognized union.\(^{40}\) Vroom suggested that the effect of supervision may depend to a considerable extent on the personality of the individual; that a person with an independent temperament is likely to be happier and more

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\(^{35}\) F. Herzberg, B. Mausner, R. Peterson and D. Capwell, Job Attitudes: Review of Research and Opinion, (Pittsburgh Pa, Psychological services of Pittsburgh 1957) quoted by D.N. Pestonjee, Organization and Structure of Job Attitudes (The Minerva Associates, Calcutta, April 1973) p. 120.


productive when he is allowed to participate in decisions affecting his job. In the present study it was hypothesised that each of the variables of age, length of service, income, skill, education, interest in the job and workers' participation in the bipartite committees is significantly related to workers' satisfaction with supervisory behaviour.

Identification with the Company

Several studies have considered identification with the company as one of the indices of job satisfaction. Individual components of job satisfaction — satisfaction with pay, promotion, supervision and the work itself — have been found to have a fairly consistent relationship with the propensity of the workers to continue with the same company (Farris, Bullin and Knowles). Such findings have not been very widely upheld. On the contrary, some studies made disclosures different from the above (Tally, French and Scott, Walter and Roch).

Jacobson indicated that the workers showed a strong attachment to the company if they were allowed more of participation in

the decision-making. Wikert found that those who quit their jobs felt that they were less personally involved in these jobs than those who stayed; they left in part because they had no chance to help make a decision.

Alluto as well as Ritzer and Trice found that single respondents were more likely than their married counterparts to be favourably disposed to alternative employment situations. Alluto also found that the length of service had a strong positive relationship with organizational commitment. Positive relationship was also found by him between organizational commitment and age. However, Ritzer and Trice could not find such relationship to any significant degree.

In the present study, it was hypothesised that length of service, present monthly income, satisfaction with supervisory behaviour and interest in the job on the one hand, and identification with the company on the other, are positively related.

**Aspiration for Promotion**

Much importance is generally attached to promotion and advancement by employees. Stagner in a survey found 'a chance to get ahead as being rated among the first five items' by 41.9 per cent respondents. Opportunities for promotion are known to have vital influence on job satisfaction of workers.

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Blum and Ross,53 Van Gilmer54 and Meltzer55 found that with increased age interest in advancement decreased. Van Gilmer56 found that education and aspiration for promotion were positively related. K.C. Desai57 and Cook's58 study found that white collar workers had higher aspirations for promotion than blue collar workers.

Contrary to some of the studies mentioned above, Chattopadhyaya and Venkateshvara did not find age, education level, number of dependants and marital status to be associated with the level of aspirations in the sample studied.39

It was hypothesised that each of the variables — education, training and interest in the job — is positively related to aspiration for promotion. Age and aspiration for promotion are expected to be negatively related. It was also hypothesised that non-operators would have a higher aspiration for promotion than operators.

58. F.G. Cook, "White and Blue Collar Workers' Attitude to Trade Unionism and Social Class" Industrial Relations, Vol. 6 No. 4, Winter 1976/76, p. 54.
WORKERS' PARTICIPATION IN DECISION-MAKING

The research theory in social and organizational psychology has suggested that participation in group decision-making enhances members' satisfaction. Holsbeek found less tension between employees and management where joint management existed and more tension in the company in which it did not exist. Michael R. Cooper and Michael T. Wood have shown that satisfaction was affected by participation. Satisfaction was greater where participation was complete than where it was partial.

Lewin, Lippit and White, in their classic example of mask making in children, found that an authoritative atmosphere generated a higher degree of tension than a democratic atmosphere and, in general, the children preferred the latter type of leadership. Similarly, Baumgartel in his study of the attitude of scientists in eighteen research laboratories found that the scientists working under participative leadership were having significantly more positive attitudes toward their director than those under directive leadership. Mitish R. De in his study of Bharat Heavy Electricals Limited Tiruchirapalli showed that the involvement of workers in managerial functions in different sections of the company increased job satisfaction, reduced tension and led to

perceptible improvement in the work-relationship between executives and their subordinates. 64

There are also available some studies which do not provide a clear cut relationship between workers' participation in decision making and their level of satisfaction. Vroom, for instance, found that the relationship between participation and job satisfaction depended on the extent to which the supervisor was authoritarian and on the strength of the workers' need for independence. 65 Similarly, experiments conducted by French, Israel and As (N=400) indicated that the experimental groups (where workers were allowed to participate in decision-making) displayed a higher level of satisfaction with regard to 10 out of the 14 items of job satisfaction, compared with controlled groups (where workers were not allowed to participate in decision-making) but difference on only three of these items were found to be significant. 66

Although the research findings on the subject varied, the idea of workers' participation in decision-making has been receiving acceptance in various countries such as Yugoslavia, Great Britain, West Germany, United States, France and Russia.

It was, therefore, hypothesized that effective working of joint decision-making seems to be related to industrial conflict.

Working of the Participative Forums

There have been several studies, in India and abroad, which have investigated into the working of the participative forums. In India, almost all of them had arrived at the conclusion that works committees and joint management councils, the two major forums of workers' participation, have not functioned successfully. A survey conducted for the ministry of Labour and Employment disclosed that among 46 units in Bombay (excluding the textile industry), the works committees which had been established were virtually defunct in approximately half the cases. A similar state of affairs about the unsatisfactory functioning of works or joint committees was reported in two case-studies of labour management relations in Bombay city.

Workers' Desire to Participate

Though earlier studies about workers' participation in decision making had shown the failure of these programmes, several studies, both in the socialist and the non-socialist countries, had shown a high desire on the part of workers to participate in decision-making. In a survey of the employees of General Motors, Jacobson, indicated that out of 400 employees, 70 per cent

believed that the foreman should consult them on work assign-

A.R.Kane and A.P.Singh in an exploratory study of
workers' participation in management in a textile mill of Nagpur
(N=100) found that 25 per cent of them were in favour of their
association at all levels and 56 per cent wanted their partici-
ipation in framing policies about production control, budget etc.

According to Holter, a majority of the employees (76% among blue-
collar employees and 59% among white-collar employees) felt that
employees, in general, ought participate more in making decisions
which concern the firm as a whole. In a survey of the two
Welsh Collieries, S.K.Saxena found that 96.2% of the respondents
in one of them and 84.6% in the other thought the colliery consult-
ative committee necessary. In the Cooper Engineering Limited,
Chinchwad, Poona, during the 1967 elections of Works Committee,
it was reported that 87% of the total eligible workers participated
in the elections. This shows that employees did take keen interest
in the formation of these committees.

Holter in his study of 128 non-supervisory employees in
13 establishments in Calo found that those who desired such increas-
ded participation, especially for themselves, by and large, were
well-qualified personnel and also greatly identified themselves

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22. E.H.Jacobson, "Foreman-Steward Participation Practices and
Workers' Attitude in a Unionized Factory", University of
Michigan, Quoted by Ross Stagner, Psychology of Industrial

23. A.R.Kane and P. S.Singh, "An Exploratory Study of Workers'
Participation in Management", The Indian Journal of Labour


67. S.K.Saxena, Nationalization and Industrial Conflict, The

63. Government of India, Ministry of Labour and Employment, Imple-
mentation and Evaluation Division, A Case Study of Industrial
Relations and Implementation of Labour Provisions in Cooper
Engineering Ltd., Machine Tools Division, Chinchwad, Poona,
with the company and its goals. He further discovered that the desire for participation was more widespread among those who were above 23 years of age and were senior and skilled than among those who were under 23 years of age and were comparatively less senior and skilled. These tendencies did not, however, reach an acceptable level of significance.

Holter again did not find any significant relationship between the desire for promotion and the desire to participate in the management. Prayag Mehta in his study of 152 workers of a large public sector undertaking reported relationship between work-related satisfaction and some important indicators of democratic commitment among the workers' representatives on shop floor.

In the present study it was hypothesized that each of the variables — education, skill, length of service, interest in the job and aspiration for promotion — appears to be positively related to the desire to participate in decision-making. It was also expected that the desire to participate of the operators would be higher than the desire to participate of the non-operators.

**Actual Participation of Workers**

Some studies had also shown a relationship between actual participation of workers in decision-making and other variables. Josip ObraDolce in his study of Yugoslavian workers' council found that the college graduates and high school graduates with technical degrees participated in discussions more than all other employees.

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He also found that the skilled workers were relatively more active than clerical employees. Richard K. Brown indicated that persons with higher aspiration for promotion also participated more in decision-making. Holter, however, did not find any significant relationship between the desire to participate and the present level of participation of the individual employee in a given establishment.

It was hypothesised in the present study that each one of the variables — education, skill, level of income and desire to participate and satisfaction with supervisory behaviour — is positively related to the participation of workers in the bi-partite committees. It was also hypothesised that operators would be participating more in the bi-partite committees than non-operators.

K.C. Alexander in his study of two textile mills, found that the joint councils functioned more satisfactorily in the mills in which the management evinced more active interest in the councils. A study conducted by O.P. Shingra, in which 266 public sector managers in India were asked about items indicative of democratic participative orientation and items indicative of authoritarian non-participative orientation showed that 16.63 per cent of the managers had participative predisposition (high on democratic orientation and low on authoritarian orientation), 67.64 per cent had mixed predisposition (high on democratic orientation and
on authoritarian orientation, or low on democratic orientation and
low on authoritarian orientation), while 15.23% had non-
participative pre-disposition.

Prayag Mehta in his study of 136 workers and 68 managerial
employees found that managerial employees showed strong motivation
for influence, while workers evinced strong motivation for social
achievement. The author felt that patterns discerned in the
analysis were likely to come in the way of workers' participation
in management.

TRADE UNIONS

Since the conflict, or co-operation, between workers and
management is greatly influenced by the nature of the workers'
organization and the processes that induce their structure, a
study of trade unions becomes a crucial topic in the industrial
relations area. Johri had viewed the growth of unionism in India
from the point of view of labour-management co-operation and
conflict in the context of developing economy. Greenivasan has
studied the effect of multiple unions on human relations.
Tripathi also analysed the inter-union and intra-union processes
at the plant level and their consequence on union-management
relationship.

Vaid made an effort to study the nature and pattern of
relations between involvement of unions in politics and industrial
relations, its consequences for the structure and behaviour of unions and its implications for relations. In the present study, it was hypothesized that a multiple union structure plant with more outside political intervention leads to more industrial conflict than a single union structure plant with less outside political intervention.

**Why Workers Join Unions**

The workers' reasons for joining a union have an important bearing on labour management relations. Several research studies have been conducted to find out the reasons for workers to join a union. In almost all these studies, economic motives and security needs predominated as reasons for workers to join the unions.

**Workers' Participation in Trade Unions**

It is important not only to know why workers join a union, but also to who among them are more active in their involvement with union activities. Baldev R. Sharma, Farm and Danseau, and Ross Stagner found that satisfied workers participated more actively in union programmes than the dissatisfied ones. However,

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Sinha and Sharma showed that workers with an unfavourable attitude towards the union had a fairly high level of satisfaction from their jobs. Similarly, Prabhaker Singh showed that pro-union groups of workers were more dissatisfied with wages and other financial benefits, working conditions and work than the pro-management workers.

Sayers and Strauss among the needle trade workers found that participation in the union was apparently related to job status. Ross Stagner suggested that men with higher education tend to adopt a pro-business point of view. Dr. N.R. Sheth in his study of a large textile mill in Northern India (N=250) concluded that workers tended to be indifferent in the initial period of their career. As they mature with age and experience, they develop a bond with the union. Toward the last years of their service they again start withdrawing from it.

Glick and others found that job tenure and organizational involvement were also associated with members' willingness to participate in the union activities.

These studies led us to hypothesize that each of the variables — education, age, length of service, union identification, workers' participation in the bi-partite committees and aspiration for promotion is positively related to union participation.

tion. Similarly it was hypothesized that wage satisfaction and satisfaction with supervisory behaviour on the one hand and union participation on the other are negatively related.

**INDUSTRIAL DISPUTES**

A strike is a social phenomenon of enormous complexity, and it is very difficult to give any complete explanation of this phenomenon. It is a matter of controversy whether the predominant factors underlying industrial disputes are economic or non-economic. The studies by Mayo and his associates emphasized the importance of non-monetary factors such as supervisory attitude and behaviour, work satisfaction, morale and group membership.\(^{93}\)

Houser showed that financial frustration ranked 10th in the list.\(^{94}\)

Bali Rajeshwara Rao showed that salary was an important, but not the only reason for causing either satisfaction or dissatisfaction.\(^{95}\)

However, Daniel Katz concluded that so long as income remained the all important means for satisfying human wants and needs, wage would continue to be a major consideration in industrial conflict.\(^{96}\)


a useful thing to secure the fruits of production. 103

Contrary to earlier studies, Dahrendorf suggested that
to foist economic and non-economic approaches in the explana-
tion of industrial conflict is misleading. 104 95

There have been a large number of studies, in India and
elsewhere which took into account both economic and non-economic
variables for the explanation of strikes. Elderidge 105 95
showed through various case studies that political, economic, reformist
and revolutionary goals might co-exist in the explanation of a
particular strike, although different goals might dominate at
different stages in the proceedings.

Semelser summarised the major explanations of conflict
leading to strikes as follows:
(i) The 'economic advantage' school, which maintains the labour
unions are 'in business' and attempt to maximise the wage gains of
their members.
(ii) The 'job security' school, which is a variant of the
'economic advantage' school, focuses its attention on the desires
of workers to protect their interests and conditions of service
in the long run rather than on the short-term wage gains.
(iii) The 'class warfare' (or Marxist) school, which attributes
the worker-unrest to the fact that the working class suffers from
systematic exploitation at the hands of the capitalists. This
position has been reiterated in different ways by the historians of

103. Wilbert E. Moore, Industrialisation and Labour: Social Aspects
of Economic Development (Ithaca: Cornell University Press, 1951)
quoted by Gomji Premeshwara Rao, Industrialisation and Workers'
104. R. Dahrendorf, Class and Class Conflict in an Industrial
105. J. S. T. Elderidge, Industrial Disputes, Essays in the Sociology
of Industrial Relations, (London, Routledge and Kegan Paul,
1948), p. 3.
the labour movement.

(iv) The 'political' school, which emphasises political conflict between unions and management over the recognition of unions and collective bargaining, jurisdictional disputes among unions and internal leadership rivalries.

(v) The 'human relations' school, which is associated with the industrial sociology of Elton Mayo and his followers. Broadly speaking, this school traces basic dissatisfaction among labourers to the breakdown of primary groups among workers and the lack of communication and understanding between management and workers. 106

David Synder has referred to the following three conceptual approaches to the analysis of industrial conflict: 107

(i) Protests generated by a rapid social change, particularly rapid rates of industrialization and urbanization. These changes act as a source of societal and individual strain. 108 and 109 Such changes generate anomie or other current psychological states and consequently lead to protest.

(ii) The second of these approaches views strike as an outcome of the bargaining process. "The majority of strikes are doubtless the result of faulty negotiations." 110 This approach also says that the most important determinant of industrial conflict is the gap between workers' actual and expected rates of real wage change.

108. See Durheim Emile, Suicide Quoted by David Synder, Ibid., p.259.
A third approach views strike activity as a form of collective action. Strikes, therefore, occur to the extent that there is organizational capacity for such action. According to Etzioni, a group's collective action depends on the type and extent of its mobilization. Thus this approach considers industrial conflict as a political and organizational phenomenon.

De and Srivastva examined the general socio-economic background against which the "gherao" movement developed in West Bengal. According to them the factors contributing to gheraos were (a) the aggressive employer response and (b) deep frustration of workers with the pattern of industrial relations. The statutory and non-statutory machinery set up by Government for regulating industrial relations had failed if not on any other count on that of the colossal delay it entailed. The authors felt that management attitude did not permit workers' participation in decision-making and implementation in any meaningful sense.

Devasasyya concluded by saying that inadequate pay, bad housing and working conditions might be regarded as the major causes of tension. Punekar distinguished between the short term aspects that led to industrial hostility (e.g. wages, prices, working conditions, working-hours and cost of living) and the long term aspects (e.g. the speed of industrialization and the transition of values).

Kannapan described a three-month strike at Tata Steel and analyzed it in terms of factors like inter-union rivalry, union movements and politics, the attitude toward a paternalistic management and the collective bargaining procedure. 116

The nationalized industries are expected to have a comparatively less industrial conflict. The absence of the profit motive in the public sector removes one of the basic causes of conflict between labour and employer. According to Prof. Robson "ideologically public ownership was regarded as a gateway to the new society, in which there would be greater plenty and less hardship for the toiling masses, in which co-operation would supplant competition". 117 Contrary to these expectations, a large number of strikes have been reported in the public sector in India and abroad. There have also been a few studies dealing with the causes of disputes in the public sector in India.

Punekar lists the problems behind the central government employees' strike as non-fulfilment of the post-independence aspirations of the employees; the indifference of Government to the need of putting its own house in order; the inefficiency of many officials who owed their promotion to nepotism and favouritism; the rigid class structure of the government employees; and the widening gap between the rising prices and the meagre wages of employees. 118

The strikes at Air India, studied by Karnik, reveal the conflict between white collar workers and management, where the status of

two groups was at stake.\

Tripathi has analysed 23 case studies conducted by the Ministry of Labour and Employment. The analysis showed that industrial relations in only 8 of the 23 units studied were cordial. The reasons were: good personnel management and enlightened leadership of trade unions. The factors mainly responsible for the unsatisfactory condition of labour-management relations in 15 industries were: multiplicity of unions, inter and intra-union rivalries, lack of mutual adjustment, indiscipline among union members, shortcomings on both sides owing to lack of proper personnel management, irresponsible leadership of unions, strained relationship between top management and the union officials and functioning of unions being conditioned by political factors. A study by R.C. Mahapatra of the Rourkela Steel Plant showed that the major reasons of strike were the multiple-union structure and their political affiliations.

K. Sivaprasad and K. Sreeramanmurthy, in a study of the causes of the 36 days' strike in Bharat Heavy Plates and Vessels, found that the management took arbitrary decisions on certain matters without taking into confidence the workers' representatives, defied the advice tendered by the labour department, and adopted a purely legalistic attitude, remaining impervious to public opinion.

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119. V.P. Karnik, Skilled in India, (Bombay, Manektesh, 1967).
We may also analyse the five case studies, among others, conducted by the Ministry of Labour and Employment. It was found that the incidence of industrial disputes was higher in Bhilai Steel Plant, Antibiotics Plant Rishikesh, and Kolar Gold Mines Undertakings, Mysore, and smaller in Cochin Refineries Ltd., Cochin and Shipping Corporation of India Ltd. Some of the important reasons for the larger number of strikes in the first three plants were: inter-union and intra-union rivalries and lack of codification of recruitment and promotion rules. The most important reasons, as per reports, for the comparative peace in the later two plants were: (a) existence of a single union or the recognition of all the unions in the plant; (b) acceptance of unionism by the management as a part of the functioning of the undertakings; and (c) codification of the recruitment and promotion rules.

WORKERS' MILITANCY

There have been very few attempts to measure the intensity of workers' militancy and to characterise it according to the features of work milieu. Some of the studies have shown the

relationship of various job satisfaction, trade union and personnel variables on the one hand, and militancy on the other.

Aspects of Job Satisfaction and Workers' Militancy

Robert Dubin suggested the hypothesis that the greater the number of sources of attachment, (such as working wages, working hours, working conditions) the less is the militancy with which their union would act in collective bargaining. He also suggests that the more the sources of workers' involvement (such as workers' participation in the management) the less is the propensity to threaten the institution of involvement. Rosemary Deepen enquired about the attitudes of teachers toward militant action and also whether they actually participated in such action. Teachers who showed strong attitudinal support for militancy were dissatisfied with their own salaries, tenure and working conditions and also with those of the teaching community as a whole. This was not found to be the case with teachers attitudinally opposed to militant action.

Arie Shiron tried to measure attitudinal and behavioural militancy of workers with the help of regression analysis. In his study attitudinal and behavioural militancy were explained significantly more powerfully by structural characteristics than by personal attributes.

According to Daniel Katz, workers dissatisfied with the nature of their jobs might be more militant in their attitude

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Towards management. Knowles also suggested that the development of repetitive work produced a special form of overstrain as well as special conditions which accentuate its effects. These conditions might breed dissatisfaction. 121

Thiagarajan in his study of clerical workers, suggested that the lack of equality in authority relations also led to frustration and tension. 123 Putnam, while discussing the results of the Hawthorne studies observed that, "The relationship between the first line supervisor and the individual workman was of more importance in determining the attitude of the employees than any other single factor." 124 Chaudhury's study on differences in workers' behaviour associated with low and high tension mills found that the supervisors in the low tension mills were understanding type and tended to take work through persuasion, while the supervisors in the high tension mills used fear to motivate the workers and often had to give suspension notices to warn others to be careful. 125

Aspects of Trade Union Membership and Militancy

Knowles suggested that more strikers were trade union members than not. 126 A survey by an opinion corporation in the city of Arksos showed that 73 out of 75 union members perceived

that management had to be forced to pay higher wages. Ganguli found the existence of a fairly clear-cut pro-company attitude in the non-union members and anti-company attitude in the union members. Taft stated that communist unions were more militant than the non-communist unions.

Personal Attributes and Militancy

A few studies have also attempted to see the relationships between personal attributes and militancy. According to Arie Shalom the workers' age had a bearing both on their attitudinal and behavioural militancy. As they advanced in years, their militancy waned out. However, length of service yielded no significant regression coefficient in his study. Rosemary Deem found that teachers with lower education were more militant than those who had education above graduation.

Knowles and F.G. Cook found white-collar workers to be less militant than the blue-collar workers. T. Ganguli studied a sample of 100 workers in two departments of a large steel factory. On the basis of a questionnaire, he had found that as the age increased, the attitude towards management tended to be more favourable. Persons with low education and low intelligence also had a favourable attitude towards the management. As the number of dependants increased, the unfavourable attitude towards the management also increased.

References:
Participative Variables and Militancy

A large number of research studies have suggested that harmony in the working situation could be improved by setting up some kind of formal organisation through which employees and management representatives could join hands to discuss the problems of common interest. According to one AMA survey of labour-management co-operation "formal co-operative plans can be both a means of reducing the area of hostility between management and labour and means of converting a general attitude of hostility into one of 'peaceful disagreement'". The exponents of group dynamic approach also claimed that a democratic group structure is the key to reduce labour management conflict. Similarly, the assistant General Secretary of T.U.C. said in 1947 that for workers in nationalized industries, when the consultative machinery was perfected, the question of strike weapon would almost become theoretical.

In the present study it was proposed to examine the following hypotheses:

1. Each of the variables — age, length of service, education, training, skill and level of income — is negatively related to the militancy of workers.

2. There is a negative relation between militancy on the one hand and various elements of job satisfaction such as interest in the job, satisfaction with supervisory behaviour, identification with the organisation, wage satisfaction, satisfaction from welfare items, and working conditions on the other. It was also hypothesized that aspiration for promotion and aspired minus actual wage differential on the one hand and militancy on the other are positively related.

3. Workers who are members of a union and who participate more in its activities are more militant than non-members. It was also hypothesized that workers belonging to communist unions are more militant than workers belonging to other unions.

4. Workers' participation in the bi-partite committees and militancy are negatively related.

PREVENTION AND SETTLEMENT OF DISPUTES

Collective bargaining, conciliation, arbitration and adjudication are some of the legitimate methods of resolving disputes in India. Studies about these methods relate to their nature and working.

Collective Bargaining

Collective bargaining as a technique for resolving disputes, between employers and employees, is widely adopted in India. The Employers Federation of India in their monograph stated that 70% of the disputes raised were settled through direct negotiations. B.R. Patil found that 69.8% trade unions in Karnataka usually settled

their disputes across the table. Chaturvedi, Bire C. Bose, B.N. Mehrotra, and Sinha pointed to the difficulties in the operation of collective bargaining, the chief among them being, multiplicity of trade unions, outside political intervention, lack of resources of trade unions, problems of selecting representative unions, and the Government's policy of compulsory adjudication.

Some studies also deal with the problems of collective bargaining in the public sector. Thomas M. Love, M. George and T. Sulzer found that the locus of the decision making authority shifted from one level to another in response to political pressure. Unlike private enterprise, the bargaining authority was not fixed. Frank P. Zeidler suggested that public employees' bargaining caused great concern to public officials as they involved questions of municipal, state and federal legality. The other factors, mentioned by Zeidler, which affected collective bargaining in the public sector were dependence on public opinion and the voting block commanded by the union.

Conciliation

Conciliation is the next legitimate forum for the settlement of disputes. B.R. Patil highlighted the significance of conciliation among the methods of dispute settlement. He also studied the functioning and effectiveness of the conciliation machinery constituted by the Government of Karnataka. The National Commission on Labour analysed the performance of the machinery of conciliation.

Voluntary Arbitration

There have been a few studies on voluntary arbitration in India. Nishad R. De identified the skills required for an arbitrator and the part he could play in building healthy industrial relations. According to D. Chatterjee voluntary arbitration was a more convenient process than compulsory adjudication. However, the author suggested that it would be hazardous to do away with adjudication as the essential conditions for the success of voluntary arbitration are not available.

Adjudication

R.B. Banerjee suggested that "Adjudication in India is prevalent not because of its inherent soundness or superiority over other methods, but because, in our country, workers are poor and uneducated and trade unions are incoherently organized." On the contrary, D.N. Prat and Richard Freemen observed, "The courts are not..."
still, consciously or unconsciously, as hostile to workers on all few successes can be won through courts. V.V.Giri, former President of India, was also opposed to "any courts at all", as they retarded growth of unions.

There have also been studies showing delay in the settlement of disputes through courts. V.K.Chawada, while analysing disputes tackled by the adjudication machinery during 1957-67, showed that 62 per cent to 32 per cent of the disputes usually remained undecided every year.

B.R.Patil while comparing the likes and dislikes of trade union leaders for various methods of dispute settlement, found that 97.5% of the trade union leaders gave first preference to settling their disputes through collective bargaining. Similarly 77.9% of them gave second preference to conciliation and only 29.6% wanted their disputes to be settled through adjudication and other methods. However, W.J.Bigones while examining the alternative methods of dispute settlement, concluded that the superiority of a particular mode of third party intervention varied with the magnitude and intensity of the conflict between the parties.

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THE METHOD OF STUDY

As spelled out in the objectives, the study was to be confined only to the public sector undertakings. Since public sector covers a large number of industrial units, it was beyond the resources at the disposal of researcher to make a sample survey. Therefore, it was decided to use the case method. It was proposed to select two large public sector plants with contrasted histories of labour-management relations, that is one with high and the other with low incidence of disputes, during the past few years. It was hoped that a comparison of two cases of this kind would help to bring out factors associated with disputes. This would also open the way for an appreciation of the functioning of the public sector with respect to labour-management relations.

Selection of Cases

Data relating to public sector undertakings all over India were scanned to select two plants which would fulfil the following conditions:—

(1) They should be from among large plants providing employment to 12,000 or more employees each. Size is an important factor in both the formal organization and the social system of the plant and hence in matters concerned with labour-management relations.

(2) They should have, as far as possible, a contrasted history of labour-management relations — one harmonious and the other disharmonious.

(3) The plants should, as far as possible, be similar in other respects such as their product, organization, and conditions of work.
Keeping the above conditions in view the two plants selected were (1) Heavy Electricals (India) Ltd., Bhopal, and (11) Indian Telephone Industries Ltd., Bangalore.  

Heavy Electricals (India) Ltd., Bhopal, was one of the plants with highly disturbed industrial relations. In this enterprise there were about twenty strikes and one lock-out between 1960 and 1970. A large number of man-days were lost during this period (see Table 1.1). Indian Telephone Industries Ltd., had comparatively much greater industrial peace. It had only two strikes between 1948 and 1971.

**Table 1.1**

The statement showing man-days lost between 1960 and 1970 in Heavy Electricals (India) Ltd., Bhopal and Indian Telephone Industries Ltd., Bangalore.*

<table>
<thead>
<tr>
<th>Year</th>
<th>HS(1)L</th>
<th>ITI</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of man-days lost</td>
<td>Number of man-days lost</td>
</tr>
<tr>
<td>1961</td>
<td>27,096</td>
<td>-</td>
</tr>
<tr>
<td>1962</td>
<td>1,58,686</td>
<td>-</td>
</tr>
<tr>
<td>1963</td>
<td>2,123</td>
<td>-</td>
</tr>
<tr>
<td>1964</td>
<td>1,61,030</td>
<td>40,220</td>
</tr>
<tr>
<td>1965</td>
<td>2,233</td>
<td>-</td>
</tr>
<tr>
<td>1966</td>
<td>195</td>
<td>19,000</td>
</tr>
<tr>
<td>1967</td>
<td>10,122</td>
<td>-</td>
</tr>
<tr>
<td>1968</td>
<td>112</td>
<td>-</td>
</tr>
<tr>
<td>1969</td>
<td>29,573</td>
<td>-</td>
</tr>
<tr>
<td>1970</td>
<td>250</td>
<td>-</td>
</tr>
</tbody>
</table>

*Data obtained from the Personnel Departments of the Plants.

**167. These are hereinafter denoted as HS(1)L and ITI**
The two plants have certain common features also. Both belong to the engineering group of industries. The form of organization adopted for both is public companies under the Indian Companies Act 1956. Both are governed by the awards of the Wage Boards and recommendations of the Pay Commissions. Both of them channelized year after year a large sum of money for improving the working conditions and environmental facilities of the workers. Also these two plants were among the fifteen public sector undertakings which employed more than 12,000 employees in the year 1970.

Methods of Data Collection

A preliminary survey of the two plants was made in May-June 1970. The purpose of that visit was to get acquainted with the problems of the plants. Information was obtained from the Personnel Department and through informal interviews with managerial personnel, trade union leaders and workers. On the basis of information obtained from the plants, three structured interview schedules were constructed: (i) for workers, (ii) for trade union leaders and (iii) for managerial personnel (See Appendices 1.1, 1.2 and 1.3).

For formulating the questions, social scientists such as sociologists, psychologists, economists, and also management personnel and trade union leaders, were consulted.

The workers' schedule was pre-tested at Hindustan Machine Tools, Pinjore (Haryana), a public sector plant manufacturing machine tools. For the table of the public sector plants employing more than 12,000 employees in the year 1970 see appendix 1.5.
tools. Twenty-five workers were interviewed for this purpose.

A Likert type technique was used to prepare scales for selection of items to measure attitudes of workers towards:
(a) militancy, (b) union participation, (c) union identification,
(d) desire to participate in decision-making, (e) participation in bipartite committees, (f) wage satisfaction, (g) satisfaction with supervisory behaviour and (h) satisfaction with welfare items. Correlation values between the individual item-score and total score were taken to select the internally consistent items. Point Bi-serial correlation was used for the purpose.

Items with significant correlation between individual item-score and total score were retained and included in the final interview schedule for workers. A battery of items was thus obtained to measure a particular variable.

The schedule for workers consisted of six parts. The first part dealt with the aspirations and satisfaction of workers; the second part dealt with workers' participation in decision-making; the third part of the questionnaire dealt with trade unions; the fourth with industrial disputes; the fifth with recruitment, promotion, training, welfare; and the sixth with personal data.

The schedules for management personnel and the trade union leaders were similar in content to the schedule for workers. They were also asked about trade unions, workers' participation in decision making, industrial disputes, settlement of disputes, personnel policies etc.

The data pertaining to the plants such as management practices, wage rates, absenteeism, individual grievances, trade unions,

For items selected and their correlation values, see Appendix 1.4.
industrial disputes, working of the bipartite committees, were obtained from records of the plants.

The data for other public sector plants and also for studies related to various aspects of labour management relations were obtained from the Bureau of Public Enterprises, New Delhi, Ministry of Labour and Employment, New Delhi; National Institute of Labour, New Delhi; Shri Ram Centre for Industrial Relations, New Delhi; Labour Bureau, Simla, and from various books, journals and reports of the Government.

The Sample

In this study we have taken a sample of 376 workers, 36 trade union leaders and 33 managerial personnel. They were drawn both from HE(I)L and ITI. The selection of workers was on a job basis. Workers for the sample were taken from the different categories of operatives and non-operatives. Operatives were those engaged in production. HE(I)L had seven categories of operative staff and about the same number of categories of non-operative staff. The operative category employees were designated as charge-hand, A grade worker, B grade worker, C-I, C-II, C-III and unskilled worker. The non-operative employees were designated as assistant incharge, senior steno, upper division clerk, junior steno, lower division clerk, daftri and peon. Similarly in ITI there were seven categories of operative staff and seven categories of non-operative staff. The operative staff was designated from category 1(a) to category 7(a), category 1(a) being the highest post. The non-operative staff was designated from category 1 to category 7. A stratified random sample of 194 workers for HE(I)L
and 181 workers for ITI was drawn from these categories. The sample was in proportion to the numerical strength of the categories.

Further, 28 managerial personnel in HE(I)L and 14 in ITI were interviewed at length on a structured schedule. The sample of the managerial personnel included top management personnel and officers of the personnel department. All the important trade union leaders of the two plants were also interviewed on a structured schedule. This included 17 trade union leaders in HE(I)L and 13 trade union leaders in ITI. In HE(I)L the President, the Vice-President, the General Secretary and other office-bearers of the important unions were covered. In ITI almost all the trade union leaders, including the President, two Vice-Presidents, the General Secretary and the three Assistant Secretaries were interviewed. Some of the ex-office-bearers of the union were also interviewed in both the plants.

Period of the Study

The first visit to the plants was in May 1970. The purpose of this visit was to get generally acquainted with the problems of the plants. The second visit to Heavy Electricals (India) Limited, Bhopal, and Indian Telephone Industries Ltd. Bangalore, was in April-July 1971. The field work was completed during this period. A short visit was again made to the plants in August 1974 so as to collect the latest information. The main study relates to the period from July 1969 to July 1971 for the two plants, but useful information relating to various developments in labour-management relations up to 1974 is also included.
Statistical Analysis

The data were processed at the Computer Centre (IBM 3620 Computer) of the Punjab University. Fortran and machine languages were used.

(i) Cutting Points. Tables were prepared on the sorter as well as on the computer. Marginal tables were prepared on the sorter. Cross tables were prepared on the computer. To divide the score on any variable (say, militancy) of the respondents into the categories of high, moderate and low, scores of all the 375 respondents of HR(1)L and ITI were combined. The data were arranged in ascending order with the help of the sorter. The top 27% in the combined list of HR(1)L and ITI respondents were considered to be high scoring. The next 46% were considered to be moderate scoring and the last 27% as low scoring. After getting the cutting points of high, moderate and low categories, the respondents of HR(1)L and ITI were separated from the combined list. This method of deciding high, moderate and low score provided a good picture for comparison between the attitudes of workers of HR(1)L and ITI.

(ii) Statistical Tests. For the purpose of analysis both parametric and non-parametric tests were used. The Chi-square test was applied to examine the association between two variables.

The multiple regression analysis was used to know how much of the total variation in the dependent variable can be explained by all of the independent variables acting together. Partial regression coefficients were calculated to know the individual direct effect of each independent variable over the dependent variable. Stepwise regression analysis was also used to eliminate some of the superfluous variables and also to avoid the problem of multi-
collinearity. The criterion for retention of a variable was, by and large, the 5% level of significance. At the same time we also wanted to ensure that while following this criterion we should not lose much of the total explanation. In such cases, apart from retaining variables with 5% level of significance, certain variables explaining more than 1% of the variation of the dependent variables were also retained.

The median test was used to see the difference in attitude of the respondents in the two plants for certain work variables. The method of rank correlation was also used.

There was a question whether we could use parametric statistics. The nature of data provided through the use of scales may not be satisfying all the assumptions of parametric tests. Since no substitute for multiple regression is available in non-parametric statistics, the use of parametric tests was desirable.
THE PLANTS

It will be useful to examine briefly the investment, production, employment, profits and organizational set up of the two plants under study, for a better appreciation of the issues involved in the labour-management relations.

Heavy Electricals (India) Limited, Bhopal

Heavy Electricals (India) Limited, Bhopal, was the first undertaking to produce heavy electrical equipment in the country. Even now, though five other units of Bharat Heavy Electricals are in operation, it plays a very significant role in meeting the requirements of the country in heavy electrical equipment.

The total investment (both equity and loans) increased from 104.4 crores in 1967-68 to 127.7 crores in 1971-72. The actual annual value of production during this period increased from Rs. 23 crores to Rs. 42.4 crores. The cumulative loss incurred by the company upto 1971-72 amounted to Rs. 56.7 crores as against the paid up capital of Rs. 50 crores. It was only in 1972-73 that the company started making profits.

The total regular staff on the pay role of HEM(I)L. was 8,168 in March 1961. It rose to 15,922 in 1971 and then to 18,722 in June 1974.

Organization. Heavy Electricals (India) Limited was managed by the Board of Directors presided over by the Chairman-cum-Managing Director. The General Manager (at the time of survey) reported to the Chairman-cum-Managing Director, and the Heads of the Depart-

171. The name of the undertaking was changed to Bharat Heavy Electricals, Bhopal on January 1, 1974. HEM(I)L. and five plants of BHEL were merged under the name of Bharat Heavy Electricals.
ORGANIZATION CHART OF HEAVY ELECTRICALS (INDIA) LIMITED, BHOPAL

CHAIRMAN AND MANAGING DIRECTOR
- GENERAL MANAGER
  - CHIEF ENGINEER
  - WORKS MANAGER
  - COMMERCIAL MANAGER
  - PERSONNEL MANAGER
  - FINANCIAL ADVISER & CHIEF ACCOUNTS OFFICER
  - DIVISIONAL MANAGER (OUTSIDE ERECTION)
    - DEPUTY PERSONNEL MANAGER
    - CHIEF MEDICAL OFFICER
    - TOWN ADMINISTRATOR
    - DEPUTY SECURITY OFFICER
  - DIVISIONAL MANAGER (TRACTION MOTORS & TRACTION GENERATORS & INDUSTRIAL MOTORS)
    - DIVISIONAL MANAGER (WATER TURBINE)
    - DIVISIONAL MANAGER (GENERATORS)
    - DIVISIONAL MANAGER (FEEDER DIVISION)
    - WORKS ENGINEER (PLANT AND MAINTENANCE)
    - ASSISTANT WORKS MANAGER (PRODUCTIVITY SERVICES)
    - MANAGER PURCHASE & MAIN STORES
    - ANCIILLARY INDUSTRIES DEVELOPMENT
  - DIVISIONAL MANAGER (STEAM TURBINE CONDENSER & HEAT EXCHANGES ENGINEERING AND MANUFACTURING)
    - DIVISIONAL MANAGER (SWITCHGEAR & APERTOR AND RECTIFIER, SALE DESIGN AND MANUFACTURING)
    - DIVISIONAL MANAGER (TURBINE DIVISION)
    - MANAGER TRAINING
    - MANAGER (CONDENSER & TURBOGENERATORS & CONDENSER CRATES)
    - CHIEF RESEARCH ENGINEER
      - CHIEF METALLURGICAL ENGINEER (RESEARCH AND DEVELOPMENT)

INFORMATION OBTAINED FROM PERSONNEL DEPARTMENT OF THE COMPANY
Transfer and Manager of Heavy Electrical Factories

It may be noted that the construction and management of these other Heavy Electrical Plants at Tachurkapudi, Ramavaram and Hyderabad, were entrusted to Heavy Electricals (India) Ltd., Bhopal. How

events reported to the General Manager. There were six heads of Departments i.e. Chief Engineer, Works Manager, Commercial Manager, Financial Adviser and Chief Accounts Officer, Personnel Manager and Secretary. The Chief Engineer, the Works Manager and the Commercial Manager had various divisions under them. Each division was headed by a Divisional Manager. The main functions of sales, engineering and manufacturing for a product were co-ordinated at the Divisional Manager's level. This scheme of organization was designed to provide a large degree of autonomy to the divisional Managers, and bring about decentralized operations and accountability, with overall control.

Indian Telephone Industries Limited, Bangalore

Indian Telephone Industries Ltd., supplies a variety of equipment for the telecommunication system of the country. Telecommunication is an essential part of the infrastructure of the economy.

While the total investment of the plant (both equity and loan) increased from Rs. 9.55 crores in 1966-67 to Rs. 10 crores in 1971-72, the total turnover during this period increased from Rs. 16 crores to Rs. 32.3 crores. The profits after tax during this period increased from Rs. 1.32 crores to Rs. 2.43 crores.

Employment in Indian Telephone Industries Ltd. increased from 7752 in 1966-61 to 14,440 in 1970-71 and 25,876 in 1973-74.

Organization. ITI was managed by a Board of Directors. The Financial Adviser, the General Manager (Production) and General Manager (Technical) reported to the Chairman/Managing Director.

All the production departments of the factory at Bangalore such as stronger, transmission, crossbar, telephones were controlled
ORGANIZATION CHART OF INDIAN TELEPHONE INDUSTRIES LIMITED, BANGALORE

INFORMATION OBTAINED FROM PERSONNEL DEPARTMENT OF THE COMPANY
by the General Manager (Production). Apart from the divisional managers of these production departments, the chief controller of stores, the Industrial Relations Manager, the Chief Materials Manager, the Senior Engineer Computers also reported to the General Manager (Production).

The Manager Exports, Publicity and Public Relations, the Chief Engineering Transmission Research, the Engineer-in-Chief, Engineering, the Administrative Manager, the Chief Engineer Standards, the Deputy Sales Officer and the Superintendent Engineer Construction, reported to the General Manager (Technical).

A Deputy Financial Controller, Secretary, Chief Internal Auditor and Statistical Officer were working under the Financial Adviser.