CHAPTER VI

SUMMARY: OBSERVATION, CONCLUSIONS & SUGGESTION
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The corporate environment now a days is characterized by down sizing, structural adjustment programmes, disinvestments and reengineering etc. ONGC is no exception to it. It affected not only working of the organisation but also has industrial relations repercussions also. The factors like growth, advancement, responsibility, working, recognition, and achievement are constantly related to satisfaction. The other factors like, company policy, administration, supervision, relationship with peers, personal life, relationship with subordinates, status, security of job are consistently related to job satisfaction.

The summary of findings, observations and suggestions on industrial relations in ONGC have been presented in two sections namely; industrial relations in ONGC: existing milieu and industrial relations in ONGC: a primary probe.

6.1 INDUSTRIAL RELATIONS IN ONGC: EXISTING MILIEU

From the study and analysis of existing IR system in ONGC, it has been found that trade unions, ASTO, collective bargaining, grievance handling, industrial disputes settlement, code of discipline and participative management are the major functional components. The major findings and observations of the existing IR system have been summarized as under:

- It has been noticed that ONGC pursues the policy of collaboration and to sort out the issues during course of negotiations but a need has been felt to give more attention to employee concerned and welfare issues in order to make ONGC a fully industrial peace corporation.

- It has been observed that ONGC avoids the policy of confrontation at all fronts and levels an effort is made by the management to involve workers and officers in planning and taking decisions.

- ONGC has a scenario of multiplicity of unions. At present there are 53 unions in all the work centers of ONGC. Out of 53 Unions, 9 are recognized under code of discipline, of which 5 are affiliated to INTUC and rest five are the
independent unions. Executives are represented by Association of Scientific and Technical Officers (ASTO), having its units at 20 work centers. The Central Working Committee of ASTO deals with Corporate Management i.e. Board of Directors, CMD and Ministry of Petroleum and Natural Gas through regular meetings.

- In relation to trade unions in ONGC they are felt to be working responsibly for the betterment of working class and prosperity of the corporation.

- In all of the trade unions having different affiliations and philosophies are operational in ONGC in addition to ASTO officers association.

- In order to recognize unions a sound election method is practiced in ONGC in which all precautions are taken to make it simple, acceptable, practical and moreover transparent.

- It pursues the policy of recognition of the unions under the code of discipline formulated in accordance with joint decision of the management and the unions. The policy of recognition is reviewed from time to time based on the experience and requirement, for making it more effective.

- ONGC has a well laid down policy of periodic joint meetings at Basin/Asset/Region and apex level.

- On the basis of highest votes polled in the elections, the unions are recognized to deal with the management at Basin/Asset and Region.

- It has been observed that in view to streamline union activities and making it healthy and competitive ONGC not only provides certain facilities to ASTO and its office bearers but also decides the terms & conditions, financial and retirement benefits to executives in course of negotiations with the association. ONGC also extends same facilities to recognized unions and their office bearers.

- It has been noticed that ONGC has evolved a interunion code of conduct to check the interunion rivalries which may disturb industrial peace. Also, management has evolved certain control measures like union derecognition.

- It is important to note that non-performing and code-violating unions are derecognised in ONGC. It acts as a strong check on evil approaches and practices of trade unions.
Recently few initiatives like, participation of unions in JCM, collective bargaining, workers participation scheme in management, comprehensive grievance management system, IR Audit etc have been taken to meet the challenges of 21st century due to globalization and to make it more effective and vibrant.

For enhancing the morale and motivation of the employees, grievance management system was introduced (GMS) in 1990 with introduction of formal and informal channels. The formal channel includes three stages with stipulated time limit. The grievance committee meeting held every month and settle the cases.

It has been found that in ONGC both formal and informal channels are used to redress grievances. A three staged model like Basin/Asset committee, Region committee and Corporate Advisory committee having representatives of relevant levels and departments including unions resolve conflicting issues.

With regard to industrial unrest it has been found that mandays loss over the years have been caused by external factors like social unrest, government policies, national calls for bandhs etc.

However, some times wearing black badges, tool down, pen down decisions of the unions and associations indicate feeling of resentment and deprivation of their due. It certainly point out management to be more cautious and conscious of worker aspirations and intentions.

In order to settle industrial conflicts in ONGC mainly deployed techniques have been conciliation, arbitration and adjudication.

The arbitration cases have shown an ascending trend in ONGC. The most affected regions have been MRBC & WRBC. But the average of settled cases under arbitration have been just 20-30% cases. Thus arbitration process in the corporation needs to be given more teeth.

The adjudication cases in ONGC have also been observed increasing over the years. It could be attributed to the change in attitudes of workers from confrontation to litigation. The most affected region has been WRBC.

The significant figures of court cases indicate poor level of trust and awareness amongst workforce. It is suggested to provide proper training and sensitizing employee about HR policies of the company.
The number of service matter cases has also been found increasing over the years in ONGC. Thus HR and IR also need to be strengthened and confusions and misinterpretations be cleared among the workforce.

The cases pending in the courts have been majority of 5 years old. Therefore negotiation, mediation and conciliation need to be made more popular.

Another instrument contributing positively and effectively in developing cordial industrial relations in ONGC have been noticed its code of discipline. It clearly states issues on which both management and unions agree and on which aspects only either management or unions agree. Thus it is found to be removing many of the doubts, confusions and grapevine.

Code of Discipline has been implemented for promotion of constructive corporation, avoidance of coercion, intimidation and violence for maintaining an environment of discipline by affirming faith in democratic functioning.

ONGC management gives more emphasis to workers participation scheme introduced in 1983 and modified in 1998 through Regional Joint Management Council (RJMC) and Project Joint Management Councils (PJMC) including collectives, officers and management.

The participative management in ONGC has been observed another milestone contributing in attaining industrial peace on one side and creating belongingness and importantly providing forum for self-expression. It is operational through regional management councils working effectively at region/ basin levels respectively, in which issues affecting their levels are discussed and solved. However, a need has been felt to accommodate more people related issues in view to make it a complete success.

All policy decisions in respect of terms & conditions, financial benefits and benefits on retirement of unionized categories of employees are decided preferably in JCM or in course of negotiations with the general secretaries of the recognized unions.

The chief modes of communication of management with the collectives are mainly meetings, letters, distribution of periodicals etc.

However, some undue delay in the resolution of many bilateral issues has been observed in the corporation. Thus it is suggested to call frequent meetings and also resolving employee welfare issues along with work related matters.
In order to win 100% trust of workers, ONGC have to provide safe and secure working conditions, transparency in disciplinary/vigilance cases, impartial inquiry into any tragedy/ life loss and setting VRS etc. Such demands reflect scope for improvement in management practices.

In combating the changed business environment, ONGC has redefined HR-Vision, HR-Mission and HR-Objectives. ONGC HR-Vision is to attain organizational excellence by developing and inspiring the true potential of company’s human capital and providing opportunities for growth, well-being and enrichment. ONGC HR-Mission is conceptualized to create a value and knowledge based organizations by inculcating a culture of learning and team work and aligning business priorities with aspiration of employees leading to developing of an empowered, responsive and competent human capital. The following ONGC-HR objectives are also laid down to combat the LPG impact and to make ONGC a vibrant and world-class exploration and production company. The major thrusts of management identified have been to develop and sustain core values, to develop business leaders for tomorrow, to provide job enrichment and job content through empowerment, accountability and responsibility, to build and upgrade competencies through virtual learning, opportunities for growth and empowering challenges in the job, to foster a climate of creativity, innovation and enthusiasm and to enhance the quality of life of employees and families. The fact of the matter is that it all aimed at having positive relations between the managers and workers in ONGC and striving together for the prosperity of the corporation.

6.2 INDUSTRIAL RELATIONS IN ONGC: A PRIMARY PROBE

On basis of the results and findings on Industrial Relations scenario perceived and opined in ONGC the following observations, conclusions have been drawn up and summarized as under:

- Recruitment and selection match the job specifications with applicants capabilities its quality determine the industrial relations health of an organisation. Regarding recruitment and selection it has been observed that only half the percentage of employees in ONGC have been selected on the
basis of written test and interview only without any written test. It could be attributed to the needs of the different departments but certainly indicate a need for streamlining entry into the organisation.

- To motivate, boost morale and retain better talent their professional indoctrination is essential. Proper induction training has been felt in ONGC and majority of the employees have perceived that they had not undergone the professional induction training programme as per the requirements.

- With the passage of time employee need to be updated on knowledge, skill and attitudes in order to adapt with environment changes. The function is performed by training and development department. The training facilities have been opined adequate but require to be made need based. Still ONGC management has taken various measures to provide quality training. However, training effectiveness has not been as per the expectations of the employees as the training needs has not been identified properly and has not been provided to the right person for the right job and at right time. It has been observed that training needs improvement, more attention and care in order to make it a real success story in real terms.

- The transfer policy in ONGC has been noticed procedural and good but somehow not able to fulfill the aspirations of the workers as ONGC has its works spread over the country and therefore it has to take many transfer decisions. However, the transfer policy has been observed to be transparent but in view to make it more acceptable, some improvements can be added like strictness, objective and equity.

- The promotion policy in ONGC has not been perceived satisfactory and needed adequate implementation. Both merit cum seniority has been the criteria preferred by the employees for the promotion. However, promotion at due time will add teeth to its effectiveness.

- ONGC management has been able to fulfill the individuals' aims and expectations with the efficient wages and salary administration. The employees have been found to be satisfied with the salary, allowances and bonuses benefits being provided in ONGC. The soundness of HR and personnel policies is examined on industrial relations health of an
organisation. The perceptions, beliefs of ONGC employees on industrial relations scene have been depicted and summarized below:

- The causes of industrial disputes in ONGC have been indicated lack of coordination, understanding, confidence and difference of opinion among management and union. Lack of clarity of rules, policies, knowledge, contract labour etc. Though the major dispute causing factors emerged to be lack of uniform and transparent transfer and promotion policies, wages/perks/monetary benefits payment in time, welfare facilities, working conditions and unfulfilled demands.

- It has been observed that majority of the industrial dispute cases have been settled through mutual discussions, meetings and negotiations. However, if no agreement is reached than required action has been taken through arbitration and adjudication. But such situation seldom occurs as the cases are being settled in the organisation itself, which is also reflected in industrial peace and harmony in ONGC.

- With regard to industrial dispute settlement measures in ONGC it has been indicated that main measures used to resolve the cases have been negotiations, renegotiations, mutual compromise, discussions and meetings, making grievance procedure more effective, solving grievances in unbiased manner and practicing positive work culture, continued motivation, mutual trust and respect. It is heartening to mention that disputes are being settled effectively among the management and workers as mutual trust and understanding prevailed. Though some of the provisions of Industrial Dispute Act have been used if the need ever arises.

- On the issue of role of trade unions it has been observed that unions have played positive, constructive and active role by acting as negotiators and counselors in settlement of industrial disputes in ONGC. Unions felt trying to maintain harmonious industrial relations in the organization.

- With regard to grievance handling procedure applied in ONGC it has been found that grievance management is not meeting the expectations of workers. Workers' representation in grievance management system has been believed to make system more effective. A large number of grievances redressed through direct representation to the management and some through trade
unions, ASTO and help of coworkers. The relations between unions/ASTO and management need to be more open. Mutual trust and confidence require to be strengthened more in order to match the expectations of employees and achieve 100% peace and performance.

- It has been observed that emergence of white collar managerial unionism has made the industrial scene more complex. Majority of the members have been unaware of the basic mechanism of dispute redressal in the industrial relations scene such as industrial relations commission, voluntary arbitration. However, it also indicate dispute free working environment. Suitable collective bargaining machinery has been ventilated poor. Also a need has been felt to change the outlook and attitude of the parties in organisational effectiveness.

- There has been no objection if the employment is given to the ward of the deceased employee. Though a need has been further observed that industrial relations department should be kept separated from P&A.

- Most of the workers have been found to be unaware of the new procedures, developments and amendments introduced in Industrial Dispute Act. Majority of them prefer to follow government rule if government ever scrap conciliation and adjudication.

- Most of the members have held the post of office bearers in past. Unions have been observed to safeguard the interests of leaders first than the employees in general. However, they tried to maintain regular and cordial contacts among the members. Further, it has been observed that trade unions affiliated with the political parties serve the interests of the workers more effectively. Though trade unions need to work for the betterment of political and economic system of the country. It has been suggested that unregistered union should not be allowed to function and management should recognize only one union for negotiations. It has been revealed by most of the members that rivalry among unions has been encouraged by management to make its work easier on one pretext or the other.

- It has been observed that the major strikes have been called for three times in ONGC since 1979 to 2003. In 1979 in eastern region due to threat by local people, in 1991 due to terrorists activities in eastern region and local demands and during 1999-2001 strike took place for pay revision along with other
public sectors. The minor strikes in ONGC offices have taken place in 1978, 1989 and 1994 though not of relevance sequence. It is heartening to mention that industrial relations in ONGC remain peaceful in general.

- In ONGC industrial democracy has been maintained. Workers participation existed in the form of JCM. Majority of workers have been the members of committee at shop floor level. Workers’ representatives have been selected by the unions. Regarding the usefulness of the committee meetings workers have taken a midpath, half the members revealed it to be useful while others view it to be not useful. More than half the percentage of workers has been found to be dissatisfied with issues discussed in joint committee meetings. There has been considerable improvement in efficiency, amicable labour management relations, discipline and grievance redressal due to formation of joint committees at work centers employee opined. The workers representatives have not gained much success in representing workers views before management for their poor awareness, education and bargaining power.

- The important objectives of workers participation in management has been exhibited sharing of information with the workers, prevention of strikes, improvement of industrial relations, involvement of workers in decision making, improvement of discipline and improvement in productivity.

- Majority of members belong to recognized union, registered under Trade Union Act, 1926 and affiliated to any central trade union. The role of political leaders in trade unions have been preferred to be checked and has been viewed harmful. It has been observed that trade unions are also properly organized as officers association (ASTO).

- The major functions of trade union leaders opined by trade union activists/ leaders has been protection of rights and interests of employees welfare of employees, maintenance of industrial peace etc. This could be the root cause of long span of industrial peace in ONGC.

- It has been observed that trade unions are essential for the maintenance of industrial peace and that they should take up individual grievances. ONGC management has been found to give sufficient opportunities for redressal grievances, due consideration to conciliation machinery before going to adjudication. Further on failure of conciliation machinery it makes efforts to
settle the disputes through adjudication. Collective bargaining between employees and union has not been centralized, though it is practiced in collective decisions and negotiations.

- A very few members have been found to come across violation of code of discipline by management or union indicating the observance of code of discipline. It is interesting to note that objectives of trade union have been found to be in compliance with code of discipline. It shows the positive approach of unions to manage affairs jointly with management.

- The need for special training to change the attitudes of workers and managers to make participation a success has been felt by trade unions leaders/activists. However top management of ONGC have been found to make efforts to make participatory management a success but still need to shed their authoritarian attitude. Further it has been observed that multiplicity and politicization of trade unions has not been conducive and has caused cascading effects to workers participation in management.

- It has been noted that trade union activists/leaders receive notice of committee meetings in time with agenda of meetings attached with notice. The issues related to various disputes are being raised in free, frank and fearless have been satisfied with the issues discussed in the committee meetings and have also found to be satisfied with the implementation of decisions taken in the joint committee meetings. A bulk of members felt that similar management committees should be set up at divisional and head offices.

- It has been revealed that facilities being provided to ASTO and union representatives are similar, however provision of more facilities to the recognized union has been put forth.

- Multiplicity of union has been found to have adverse effects in totality as it hampered effective decision making to a larger extent, fails to protect the workers interests. However there appears a choice for the employees to choose better union or active participation. But still disturbs industrial peace and harmony.

- The top functions of trade union have been emerged as maintenance of industrial peace and harmony, safeguarding interests and welfare of the
employees, proper education of the members, adequate payment of wages and incentives etc. in time.

- A sense of insecurity has been felt among the employees in the light of perceptible changes in industrial relation in the 21st century. However they have been able to unite the members at one platform due to globalisation. They are ready to face the challenges posed by complexities of globalization and privatisation.

- The important objectives and duties of ASTO in ONGC have been the welfare of officers’ community, protection of interests of officers committee and rectification of problems of officers by raising the issues to the management through participative management.

- It has been observed that working committee is well organized and elected through proper channel. Central executive posts for the election have been fixed on the basis of officers in most offices and elections in unit of ONGC are held once in two years through secret ballot. Similarly the president of central working committee has been elected by CEC members through secret ballot who in turn selects the General Secretary and other CWC members. The entire election process has been carried under ONGC management.

- It has been revealed that the facilities of ASTO officers are similar to those being provided to the other unions.

- ASTO has been found to play mediatory role by conducting discussions and act as a bridge between management and employees to settle the disputes.

- The demands to the management has been raised through negotiations and discussions, meetings with the management, through agenda points also sometimes by resorting to mild strikes/dharnas.

- The important issues that are being raised by ASTO have been issues with concerned employees welfare and development, growth of organization and stability and restructuring of ONGC policies. Altogether it raises any matters concerning ONGC.

- The differences within members of ASTO in ONGC have been settled mainly through discussions, talks with senior leaders, interpersonal meetings and negotiations.
ASTO has been found united since its formation as the issues have been solved effectively and has been doing well for the welfare of officers. Also it is sole body representing the educated officers. Sometimes the fragments have been found to occur.

It has been observed that IR policies have been successful to some extent in harmonizing the relationships between management and employees. However some policies do exist those require amendment or deletion. Majority of ASTO members have been found to agree with provision of code of discipline. ONGC management has been found to believe in participative style of management and philosophy of joint consultation and give due consideration to collective bargaining. There has been no role or influence of ASTO in the appointment of Board level Directors, some IR policies exist in ONGC for the regulation of relationship between management vs ASTO and management vs. unions. ASTO work during office hours.

To conclude it is said that industrial relations in ONGC have been good and better maintained. It has been attributed to innovations in management styles and strategies, union methods, positive attitudes and responsible leadership. Other strengths of industrial relations in ONGC have been observed two way communication, sound collective bargaining, correct consultation and appropriate participation. By and large organisational culture in ONGC have been felt of shared meaning, values, perceptions and assumptions in ONGC paving way to healthy industrial relations.

6.3 AREAS OF FUTURE RESEARCH

An industrial relation is a complex phenomenon influenced by social, economic, political, technological, institutional and governmental forces in general and workers and their organisations, managers and their organisations in particular. In order to determine the forces more prevalent and causing industrial relations problem or responsible for industrial relations peace and harmony in an organisation can be studied separately. Similarly specific studies can be conducted on role of trade unions and functioning of workers participation management and grievance redressal mechanism. No doubt, management of industrial relation would be a challenge to labour, management and government.