CHAPTER VIII

SUMMARY OF FINDINGS

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SUGGESTIONS
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Of all the human resource management problems that have emerged on the corporate forefront in recent times, the problem of industrial relations is the one that has achieved more prominence than any other one. The increased popularity of this vital aspect of Human Resources Management is due to one single factor, that it deals with people who are the base of industry - a class of people that makes things to happen. Their inaction or violent action very often makes paper headlines. Certainly the strikes, redundancies, gheraos by the workforce and the indifferent and inhuman attitude of employers in dealing various labour problems is a matter of great concern for one and all bothered about the national's welfare. In fact, the very relationship between labour and management itself creates a host of opportunities, they bring parties to conflict.

In India with the adoption of socialist pattern of society and subsequent acceptance of industrial policy resolution of 1956, the public sector was entrusted with the responsibility to accelerate the economic development of the country. As such basic and heavy industries were allowed to concentrate in this sector and the
private sector was not given an opportunity to come up as there were a host of constraints in its growth and development.

The workers in the public sector were the government employees and accordingly, were given a fair deal. In contrast to it, the workers in the private sector had to suffer on many counts, which is reflected in its industrial relations scenario. Though there are brighter spots in the private sector, on the whole, the workers suffered at the hands of employers. However, with the passage of time, the situation started changing. It is interesting to note that with the liberalization of Indian economy, the man-management relations are now improving in the private sector and in the public sector they are worsening everyday. This really tempts one to study as to how the dynamics of the industrial relations changes over a period of time and which, in turn, influences the economy of the country. As such the various aspect of industrial relations in Hindalco Industries Ltd. Renukoot, Sonebhadra (U.P.) was examined and evaluated.

This chapter proposes to bring together the summary of findings and suggestions emerged from the case study of industrial relations in Hindalco. As the first Chapter is introductory in nature, the conclusions are presented from the second chapter onwards.
The Second Chapter is devoted to give a view on industrial relations in private and public sector industries. Hindalco is a public limited company in private sector. It has its own peculiar and dominating feature in the field of aluminium industries. As such there is need of comparative study of industrial relations in private and public sector industries.

The nature of public and private sector industries significantly differs and so the happenings of industrial relations also differ significantly. The industrial relations in public sector is discussed with reference to three actors involved there in, namely, the trade unions, the management and the government and their interaction with each other. There are no special handicaps for workers in public sector to organise themselves into unions. Of course certain administrative restrictions exist for forming unions by public servants. Many of the public sector units are plagued with multiplicity of trade unions and inter-union and intra-union rivalries. By and large, the environment in which the public sector managers have to operate is one where multiple unions are the rule. Internal trade union has to operate is one where multiple unions are the rule. Internal trade union leadership does not seem to have developed to a stage where it can operate without undue fear. The same is the case
with workers employed in the private sector and there is no difference in the mental attitude of workers in both the sectors.

In the Third Chapter an attempt has been made to present the profile of Hindalco, including its origin and growth, organisation structure and performance of the company in terms of investment, production, sales, employment contribution to exchequer, expenditure on social overheads and profitability. In brief the following points are to be noted for the purpose.

(i) The review of evolution and growth of Hindalco since 1959 revealed that in span of 45 years till 31.03.2004 (figures taken upto the end of financial year 2004 for statistical analysis) the company increased its capacity of production with an initial installed capacity of 20000 MT to 445000 MT.

(ii) A study of the organisational structure of Hindalco has revealed that the functional head in the company is President and Manager who look after the policies. Decentralisation seems to have taken place in the company.

The study of organisational structure at all levels has revealed that certain functions like personnel and industrial relations have been given importance in the company. The officers who are looking after these functions are placed at a
higher level in the organisational hierarchy as they deserve.

(iii) The examination of trends in production in Hindalco during the last 10 years commencing from 1994-95 to 2003-04 showed that the production of the company has an increasing trend in absolute terms.

(iv) Regarding the labour productivity, it is found that the productivity in Hindalco has always been higher than the other Alumnum Industries Company in India.

The Forth Chapter is devoted to present the personnel policies and practices existing in Hindalco. The finding have the following main points in this context:

(i) It is observed that the object of personnel policies and practices existing in Hindalco is to find out the right man for the right job.

(ii) In Hindalco the management has to work right from the stage of advertising the post to call the person for interview, selection, placement and also till the retirement.

(iii) The recent scheme of workers participation in the management is a welcome move in the direction of healthy personnel administration in Hindalco.
In the Fifth Chapter attempts have been made to present an overview of industrial relations in Hindalco during the last 10 years period from 1994-95 to 2003-04. The industrial relations position has been discussed in terms of the strikes, absenteeism, accidents and trend in labour productivity as mentioned below:

(i) A study of trend in strikes in Hindalco has revealed that no strikes are reported during the period of 1994-95 to 2003-04.

(ii) An opinion survey conducted to assess the impact of strikes indicated that the strikes have resulted in bringing wage benefits and better working conditions. But at the same time they have expressed that the workers have to make certain sacrifices in form of loss of income and disruption in the personal life.

(iii) Regarding the management of strikes, Trade union leaders have revealed that they have to face a number of problems, such as pressure tactics of management, withdrawal of workers in the middle of the strike period, unfavourable attitude of the rival union leader and financial difficulties. But despite these problems the trade union leaders have expressed their strong faith in strikes as a instrument of setting their demands.
As for as the absenteeism it is found that the rate of absenteeism in Hindalco has been very low during the last 10 years period commencing from 1994-95 to 2003-04.

The enquiry made with the workers, trade union leaders and executives has revealed that in the case of workers hazardous nature of work, inadequate housing, working conditions and rural background are the important reasons for absenteeism.

Regarding the measures taken to minimise absenteeism, the executives explained that they have planned a number of measures but could not effectively implemented them on account of intervention of trade union leaders from time to time.

It is suggested by the respondents that the provision of adequate housing facilities, improving working conditions, provision of transportation, provision of incentive schemes, reduction of work load etc., can help to minimise the problem of absenteeism.

An examination of trends in accident rates revealed that there have been rarely occurred accident in the company.

The cause-wise analysis accidents revealed that if accident occurred in the company, important reasons is only mechanical failures.
The category wise analysis of worker affected by the accidents has revealed that operators are affected by the accidents. It is observed that the rate of accidents has been relatively low in case of supervisory staff.

With regard to the reasons for accidents, it is revealed by the executives that negligence of safety rules, is major reason for accidents.

As for the measures taken by management to prevent accidents and to pay compensation, it is found that the workers are satisfied.

Regarding the labour productivity, it is found that the company has introduced a number of incentive schemes to improve labour productivity.

The view of workers, trade union leaders and executives regarding the overall position of industrial relations have revealed that most of them are satisfied.

Chapter Sixth has endeavoured to discuss the working conditions and welfare measures prevailing in Hindalco. The chapter has been divided into two parts, the first part deals with working conditions and the second part deals with welfare measures. An attempt has been made here in the first part to assess the level of satisfaction of workers and trade union leaders regarding the
present working conditions in the company. Important points in this context are noted below:

(i) With regard to the provision of drinking water facility, it is found that filtered water is supplied to the workers.

(ii) With regard to latrines and urinals, it is found that the management has taken care to provide these facilities as per statutory norms.

(iii) It is found that the management is providing adequate medical facilities to the workers at the work place as well as in the quarters through its well equipped Hindalco Hospital.

(iv) With regard to canteen facilities, it is found that the food and refreshments are available in the canteen to the workers/executives at reasonable rates.

(v) Regarding the rest shelters also, the workers expressed their satisfaction about the adequacy and facilities provided in the rest shelters.

(vi) With regard to ventilation, exhaust fans are provided at each plant to remove unhygienic air and dust, it is found that these facilities are relatively adequate in Hindalco.
(vii) With regard to safety provisions, it is found that workers have a tendency of violating the safety rules, thus involving themselves in the accidents and injuries. It is found that the negligence of workers on the one hand and lack of knowledge about safety rules on the other hand has contributed to this situation. It is suggested that the management should strictly enforce safety rules.

(viii) Regarding, the lighting facilities, it is found that the electric lighting facilities are good.

(ix) Regarding the working hours and shift system it is found that the workers are not working effectively in full eight hours in a shift. They are wasting about 1 hour time to collect materials, instruments and observe other formalities. It is suggested that the shift timings and working hours should be worked out in a realistic manner according to the condition of work in consultation with the workers and unions.

(x) An analysis made to assess the level of satisfaction of workers regarding working conditions has revealed that the level of satisfaction is average.
The Second part of Sixth chapter is devoted to examine the extent of welfare measures provided to the workers in Hindalco. The welfare measures discussed in the chapter include both outside and inside measures provided to the workers in the company. This discussion points out the following conclusions:

(i) Regarding the housing facilities provided to the workers over a period of last 10 years' period from 1994-95 to 2003-04, it is found that there has been an increasing interest in the construction of houses for the workers.

(ii) Discussion with the workers have revealed that the procedures prescribed for the allotment of houses are sometimes violated by the management.

(iii) Regarding the medical facilities, it is observed that the workers are satisfied with the existing medical facilities in Hindalco hospital.

(iv) The company is running a number of educational institutions. It is observed that on the whole there is a general satisfaction regarding the education facilities provided in Hindalco. It is shocking that there is no facilities for higher education at the level of
graduation and post graduation classes. The company should take interest regarding the opening of a model degree college in Hindalco.

(v) With regard to transportation facilities, the company is not providing any transport to its workers. However, the company provides transportation facilities to its executives and also provides subsidies to the workers for purchasing own vehicles.

(vi) With regard to water supply, it is found that purified water is supplied in the most of the places of work.

(vii) Regarding the social security measures, it is found that the company is implemented provident fund, family pension and gratuity schemes for its employees. In addition, the company is also following a policy of providing employment to the dependants of the deceased workers.

(viii) The company has established co-operative stores to distribute essential commodities, consumer goods and consumer durables to the workers at reasonable rates. Barring a few complaints, the co-operative stores on the
whole are providing useful services to the workers.

(ix) An examination of the expenditure incurred on welfare measures during the last decade revealed that there has been sizeable growth in welfare expenditure.

(x) The analysis made to assess the level of satisfaction of workers regarding the welfare measures revealed that, there is an average satisfaction regarding welfare measures provided at present.

(xi) The workers and trade union leaders have suggested that worker's education programmes must be undertaken. They insist that the amount spent on welfare measures should be further increased.

In the Seventh Chapter an attempt is made to trace out the evolution and growth of trade unions in Hindalco and focus is laid on some of the following important problems faced by trade unions.

(i) A review of evolution of trade unions in Hindalco has revealed that the trade union activities in the company have been increasing from time to time. But along with the growth of trade union movement, the number of unions is also increasing. The problem of multiple unions is found
to be leading to inter and intra-union rivalries.

(ii) In Hindalco there are four trade unions, out of these three trade unions are recognised.

(iii) The survey has revealed that the struggle for trade union leadership and ineffective leadership are the main reasons for the inter-union rivalries in Hindalco. The trade union leaders on the other hand, have revealed that the personal rivalries, selfish motives and caste conflicts are the important reasons for inter union rivalries.

(iv) Regarding the intra union rivalries, selfish motives of union leaders are rated as the most important reasons. Occupational differences, ineffective leadership and political influences are other reasons contributing to intra union rivalries.

It is suggested that measure like introduction of secret ballot method for the recognition of a union, developing a common understanding among the rival trade unions, making efforts to implement the one union-for-one-industry principle, non-interference of management in the union activities and increasing statutory
limit of minimum members to form a union can contribute for developing co-operation and co-ordination among the unions.

(v) An examination of finances of trade union has revealed that the unions in Hindalco are financially very unsound. The reasons for this situation are found to be irregular payment of membership fee, deficiencies in collecting the dues from the members and misuse of funds collected from the members.

It is suggested that the method of collecting dues must be systematized by the unions. It is necessary to adopt the principles of sound financial management in mobilising and utilising the funds.

(vi) Regarding the political affiliation, it is found that the influence of political parties is increasing the union rivalries.

(vii) As for the trade union leadership, it is found that most of the office bearers of present unions are outsiders. However most of their outside leaders have been ex-employees of the company. Therefore these leaders possess required knowledge about the work, working conditions and the dynamics of industrial relations at company level.
It is generally observed that the internal leadership from the workers is being encouraged if such workers are committed to political ideology of the party controlling the union. Loyalty to the party is considered as the essential pre-requisite for trade union leadership.

Regarding the rule of outside leadership most of the workers expressed their satisfaction and stated that they play very useful role.

They have pointed out that outside leaders can bargain more boldly and efficiently with management than the internal leaders. In addition, these leaders can bring pressures and influence from outside on the management to get the things done.

Regarding the qualities of trade union leaders, the workers rated militant personality as the best quality to be possessed by trade union leaders. In addition, they felt that the trade union leader should possess knowledge of industry, knowledge of psychology of worker, field experience, sincerity and integrity and diplomacy etc.
An analysis was made to examine the extent of workers involvement in trade union affairs has revealed that most of the workers are indifferent towards the management of trade unions. They approach the trade union only in a moment of crisis. The reasons for such a tendency are: inadequate leisure to the worker, fear of victimisation by the management, lack of interest in the political ideology of the unions and lack of confidence in the leadership of the unions.

Regarding the concern of the trade unions towards the problems of workers, it is found that in a majority of cases, the union leaders were ready to solve the problems.