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A STUDY ON INDUSTRIAL RELATIONS IN INDIAN ORGANIZATIONS

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Abstract

Industrial Relations (IR) comprise relationships between the state on one hand and the employer's and employee's organisation on the other, and the relationship among the occupational organizations themselves. Industrial relations are outcomes of employment relationships in an industrial enterprise.

Key Words: Industry, Relations.

Introduction:

Industrial relation means the relationship between employers and employees in course of employment in industrial organisations. However, the concept of Industrial Relations has a broader meaning. In a broad sense, the term Industrial Relations includes the relationship between the various unions, between the state and the unions as well as those between the various employers and the government. Relations of all those associated in an industry may be called Industrial Relations. According to J.T. Dunlop, "*Industrial relations are the complex interrelations among managers, workers and agencies of the government*"

Main Features of Industrial Relations:

1. Industrial relations are outcomes of employment relationships in an industrial enterprise. These relations cannot exist without the two parties namely employers and employees.
2. Industrial relations system creates rules and regulations to maintain harmonious relations.
3. The government intervenes to shape the industrial relations through laws, rules, agreements, terms, charters etc.
4. Several parties are involved in the Industrial relations system. The main parties are employers and their associations, employees and their unions and the government. These three parties interact within economic and social environment to shape the Industrial relations structure.
5. Industrial relations are a dynamic and developing concept, not a static one. They undergo changes with changing structure and scenario of the industry as and when change occurs.
6. Industrial relations include both individual relations and collective relationships.

Objectives of Industrial Relations:

1. To maintain industrial democracy based on participation of labour in the management and gains of industry.
2. To raise productivity by reducing tendency of high labour turnover and absenteeism.
3. To ensure workers' participation in management of the company by giving them a fair say in decision-making and framing policies.
4. To establish a proper channel of communication.
5. To increase the morale and discipline of the employees.
6. To safeguard the interests of the labour as well as management by securing the highest level of mutual understanding and goodwill between all sections in an industry.
7. To avoid all forms of industrial conflicts so as to ensure industrial peace by providing better living and working standards for the workers.
8. To bring about government control over such industrial units which are running at a loss for protecting the livelihood of the employees.

Importance of Industrial Relations:

1. **Uninterrupted Production:** The most important benefit of industrial benefits is that it ensures continuity of production. This means continuous employment for all involved right from managers to workers. There is uninterrupted flow of income for all. Smooth running of industries is important for manufacturers, if their products are perishable goods and to consumers if the goods are for mass consumption (essential commodities, food grains etc.). Good industrial relations bring industrial peace which in turn tends to increase production.
2. **Reduction in Industrial disputes:** Good Industrial relations reduce Industrial disputes. Strikes, grievances and lockouts are some of the reflections of Industrial unrest. Industrial peace helps in promoting co-operation and increasing production. Thus good Industrial relations help in establishing Industrial democracy, discipline and a conducive workplace environment.
3. **High morale:** Good Industrial relations improve the morale of the employees and motivate the worker workers to work more and better.
4. **Reduced wastage:** Good Industrial relations are maintained on the basis of co-operation and recognition of each other. It helps to reduce wastage of material, manpower and costs.
5. **Contributes to economic growth and development.**

Causes of poor Industrial Relations:

1. **Economic causes:** Often poor wages and poor working conditions are the main causes for unhealthy relations between management and labour. Unauthorised deductions from wages, lack of fringe benefits, absence of promotion opportunities, faulty incentive schemes are other economic causes. Other causes for Industrial conflicts are inadequate infrastructure, worn-out plant and machinery, poor layout, unsatisfactory maintenance etc.
2. **Organisational causes:** Faulty communications system, unfair practices, non-recognition of trade unions and labour laws are also some other causes of poor relations in industry.
3. **Social causes:** Uninteresting nature of work is the main social cause of poor Industrial relations. Dissatisfaction with job and personal life culminates into Industrial conflicts.
4. **Psychological causes:** Lack of job security, non-recognition of merit and performance, poor interpersonal relations are the psychological reasons for unsatisfactory employer-employee relations.
5. **Political causes:** Multiple unions, inter-union rivalry weaken the trade unions. Defective trade unions system prevailing in the country has been one of the most responsible causes for Industrial disputes in the country.

Suggestions to improve Industrial Relations:

1. Sound personnel policies: Policies and procedures concerning the compensation, transfer and promotion, etc. of employees should be fair and transparent. All policies and rules relating to Industrial relations should be fair and transparent to everybody in the enterprise and to the union leaders.
2. Participative management: Employees should associate workers and unions in the formulation and implementation of HR policies and practices.
3. Responsible unions: A strong trade union is an asset to the employer. Trade unions should adopt a responsible rather than political approach to industrial relations.
4. Employee welfare: Employers should recognise the need for the welfare of workers. They must ensure reasonable wages, satisfactory working conditions, and other necessary facilities for labour. Management should have a genuine concern for the welfare and betterment of the working class.
5. Grievance procedure: A well-established and properly administered system committed to the timely and satisfactory redressal of employee's grievances can be very helpful in improving Industrial relations. A suggestion scheme will help to satisfy the creative urge of the workers.
6. Constructive attitude: Both management and trade unions should adopt positive attitude towards each other. Management must recognise unions as the spokesmen of the workers' grievances and as custodians of their interests. The employer should accept workers as equal partners in a joint endeavour for good Industrial relations.
7. Creating a proper communication channel to avoid grievances and misunderstandings among employees
8. Education and training imparted to the employees .

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