

MS-108 (Human Resource Management)

Unit- 15: Industrial Relations

Compiled By:

Dr. Sumit Prasad

Uttarakhand Open University

Industrial Relations defined

- ❑ Industrial Relations (IR) is the study of the laws, conventions and institutions that regulate 'the workplace'. It is a fundamentally important aspect of our way of life, our culture and our society.
- ❑ Industrial relation is defined as relation of Individual or group of employee and employer for engaging themselves in a way to maximize the productive activities.
- ❑ In the words of Lester, “Industrial relations involve attempts at arriving at solutions between the conflicting objectives and values; between the profit motive and social gain; between discipline and freedom, between authority and industrial democracy; between bargaining and co-operation; and between conflicting interests of the individual, the group and the community.

Concept of Industrial Relations

- ❑ The term 'Industrial Relations' comprises of two terms: 'Industry' and 'Relations'. "Industry" refers to "any productive activity in which an individual (or a group of individuals) is (are) engaged". By "relations" we mean "the relationships that exist within the industry between the employer and his workmen." The term industrial relations explain the relationship between employees and management which stems directly or indirectly from union-employer relationship.
- ❑ Industrial relations are the relationships between employees and employers within the organizational settings. The field of industrial relations looks at the relationship between management and workers, particularly groups of workers represented by a union. Industrial relations are basically the interactions between employers, employees and the government, and the institutions and associations through which such interactions are mediated.

Objectives of Industrial Relations (I.R.)

1. Establish and foster sound relationship between workers and management by safeguarding their interests.
2. Avoid industrial conflicts and strikes by developing mutuality among the interests of concerned parties.
3. Keep, as far as possible, strikes, lockouts and gheraos at bay by enhancing the economic status of workers.
4. Provide an opportunity to the workers to participate in management and decision making process.
5. Raise productivity in the organisation to curb the employee turnover and absenteeism.
6. Avoid unnecessary interference of the government, as far as possible and practicable, in the matters of relationship between workers and management.
7. Establish and nurse industrial democracy based on labour partnership in the sharing of profits and of managerial decisions.
8. Socialize industrial activity by involving the government participation as an employer.

Importance of I.R.

1. To help in economic progress of a country. The problem of an increase in productivity is essentially the problem of maintaining good industrial relations. That is why they form an important part of the economic development plan of every civilized nation.
2. To help establishing and maintaining true industrial democracy this is prerequisite for the establishment of a socialist society.
3. To help the management both in the formulations of informed labour relations policies and in their translation into action.
4. To encourage collective bargaining as a means of self-regulation. They consider the negotiation process as an educational opportunity a chance both to learn and to reach.
5. To help government a making laws forbidding unfair practices of unions and employers. In climate good industrial relations every party works for the solidarity of workers movement. Unions gain more strength and vitality. There is no inter-union rivalry.

Importance of I.R. (Continued)

6. Employees give unions their rightful recognition and encourage them to participate in all decisions. Unions divert their activities from fighting and belligerence to increase the size of the distribution and to make their members more informed (workers education) on vital issues concerning them.

7. To boost the discipline and morale of workers. Maintenance of discipline ensures orderliness and Effectiveness as well as economy in the use of resources. On the other hand, lack of discipline means waste, loss and confusion. It also means in sub-ordination and non-co-operation.

8. Industrial relations are eventually human relations therefore, the same basis of human psychology prevails in the field of industrial relations therefore, and the efficiency of an industry is directly related with the quality of relationship, which is being built up amongst the individuals who work together.

Nature of I.R.

1. Collective bargaining
2. Role of management, unions, and government.
3. Machinery for resolution of industrial disputes.
4. Individual grievance and disciplinary policy and practice
5. Labour legislation.
6. Industrial relations training.

Factors Affecting I.R.

- ❑ Organizational Structure
- ❑ Leadership Style
- ❑ Individual Behaviour
- ❑ Legal and Political Environment
- ❑ Technical and Economic Environment

Reference

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Thank You!