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Organisational Behaviour and Human Resource Management

SEMESTER VI

BACHELOR OF SOCIAL WORK

BLOCK - 2

KRISHNA KANTA HANDIQUI STATE OPEN UNIVERSITY

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ORGANISATIONAL BEHAVIOUR AND HUMAN RESOURCE MANAGEMENT

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COURSE INTRODUCTION

This is the fourth course of 6th semester, BSW Programme. This course introduces us to the subject of Organizational Behaviour and Human Resource Management. This course is designed as organisational behaviour and HRM. As such, it will provide us with an overview of the many dynamics of organizations and the functions of managing its human resources. We will discuss what organizational behaviour management is, and in doing so, we will discover the management functions such as planning, organizing, staffing and controlling, also we will discuss the organisation behaviour. Organizational behavior is the study of both group and individual performance and activity within an organization. This area of study in this course examines human behavior in a work environment and determines its impact on job structure, performance, communication, motivation, leadership, etc. The course has 15 units and is divided into two blocks; Block 1 and Block 2. Block 1 deals with the introductory concepts of OB and management, development of management, motivation, concept of manpower planning and organising, conflict, human resource development. Block 2 concentrates on human resources management, industrial relations, leadership, labour laws, Power, Politics, conflict negotiation and stress. The last unit discusses the characteristics of the labour force. Here we can understand why this course is an essential one for social workers in the workplace.

Each unit of these blocks includes some along-side boxes to help you know some of the difficult, unseen terms. Some “EXERCISES” have been included to help you apply your own thoughts. You may find some boxes marked with: “LET US KNOW”. These boxes will provide you with some additional interesting and relevant information. Again, you will get “CHECK YOUR PROGRESS” questions. These have been designed to self-check your progress of study. It will be helpful for you if you solve the problems put in these boxes immediately after you go through the sections of the units and then match your answers with “ANSWERS TO CHECK YOUR PROGRESS” given at the end of each unit. This will help you in making your learning more active and efficient. And, at the end of each section, you will get “CHECK YOUR PROGRESS” questions. These have been designed to self-check your learning.

INTRODUCTION TO BLOCK 2

This is the Second block of the course 'Organisational Behaviour and Human Resource Management'. The Block is divided into 7 units which are related to the concepts of Principles of Management and Organisational Behaviour. Block 2 deals with the concept of HRM, Industrial Relations, Practices of HR- appraisal of Human Resource, Labour laws and understanding of work from social perspective. It is primarily a learner oriented Self learning material, as it satisfies the requirements of the learners in the field of social work at the organizations.

The block is divided into 8 units:

Unit 9 : Human Resource Management
Unit 10 : Human resource Planning
Unit 11 : Human Resource Development
Unit 12 : HR Practices
Unit 13 : Industrial Relations
Unit 14 : Labour Laws
Unit 15 : Occupational Social Work

Each unit of these blocks includes some along-side boxes to help you know some of the difficult, unseen terms. Some "EXERCISES" have been included to help you apply your own thoughts. You may find some boxes marked with: "LET US KNOW". These boxes will provide you with some additional interesting and relevant information. Again, you will get "CHECK YOUR PROGRESS" questions. These have been designed to self-check your progress of study. It will be helpful for you if you solve the problems put in these boxes immediately after you go through the sections of the units and then match your answers with "ANSWERS TO CHECK YOUR PROGRESS" given at the end of each unit. This will help you in making your learning more active and efficient. And, at the end of each section, you will get "CHECK YOUR PROGRESS" questions. These have been designed to self-check your learning.

UNIT 9: HUMAN RESOURCE MANAGEMENT (HRM)

UNIT STRUCTURE

9.1 Learning Objectives

9.2 Introduction

9.3 Concept of Human Resource Management

9.4 Evolution of Human Resource Management

9.5 Functions of Human Resource Management

9.6 Scope of Human Resource Management

9.7 Difference between Human Resource Management and Personnel Management

9.8 Role of HR Executive

9.9 Challenges of Human Resource Management

9.10 Let Us Sum Up

9.11 Further Reading

9.12 Answers to Check Your Progress

9.13 Model Questions

9.1 LEARNING OBJECTIVES

After going through this unit you will be able to:

- learn the concept of Human Resource Management (HRM)
- highlight and explain the major functions of HRM
- discuss the various stages of evolution of HRM
- explain the scope or area of operation of HRM
- highlight the various skills of an Human Resource Executive

9.2 INTRODUCTION

Human resource management is a management function involving procurement of suitable human resources, train and develop their competencies, motivate them, reward them effectively and create in them

an urge to be part of the management team whose aim should be rendered, dedicated, committed service for the success and growth of the organization.

In this unit, we will discuss about the importance of human resource for an organization as well as the evoluation of Human resource management. First we will discuss the fundamental concept of human resource management, then we will discuss the various stages of evolution of human resource management. At the end of the unit, we will discuss about the scope of operation of HRM and the various skills of an HR executive.

9.3 CONCEPT OF HUMAN RESOURCE MANAGEMENT (HRM)

People are an important part of any type of organization. Any organization whether it a religious, social, educational, non- governmental, public or private, people can be regarded as the core resource of the organization. An organization is made up of 4Ms, man, material, money and machine.

Let us first discuss the meaning of each of the term in HRM, **H** for Human can be explained as the skilled workforce in the organization, **R** for Resource that is the limited availability or scarce and **M** for management which can be explained as the maximum or proper utilization and to make best use of limited and scarce resource in the organisation.

We can find substitutes of material, money and machines but the human resources cannot ever be substituted. Man or the human resources only controls the other resources in the organization. Human resources are also regarded as the most dynamic resource in an organization; this is because human resources are prone to change as the internal as well as external environment changes. It is very important for the organization to carefully select the human resources because human resources can make or break an organization. Proper selection and management of human resource can help in the long run success

of an organization. Human resources should never be treated in an organization as a resource but they should be used as an asset. Properly trained, motivated and satisfied employees are always the assets of an organization.

Human Resource Management as the name itself denotes is concerned with the people dimension in management of an organization. It is directed towards recruitment and selection, training and development, motivation and maintenance of the human resources for the long term development and upliftment of an organization. In simple words human resource management can be defined as a process in which human resources are acquired from proper sources and utilized in the best possible manner so that not only the organizational objectives are achieved but also the individual objectives of the human resources are fulfilled. Human resource management helps to ensure that the right man in the right position is placed and at the right time taking into consideration the changes taking place in the internal as well as external environment of the organization. Some important definitions of Human Resource Management given by some eminent scholars and institutions are given below.

According to Edwin B. Flippo, “Human resource Management is the planning, organizing, directing and controlling of the procurement, development, compensation, integration, maintenance and separation of human resource to the end that individual, organizational and social objectives are accomplished.”

According to Decenzo and Robbins “HRM is concerned with the people dimension in management. Since every organisation is made up of people; acquiring their services, developing their skills, motivating them to higher levels of performance and ensuring that they continue to maintain their commitment to the organisation are essential to achieving organisational objectives. This is true, regardless of the type of organisation-government, business, education, health, recreation, or social action”.



LET US KNOW

HRM Policy in Indian Railways

One of the personnel objectives of Indian Railways is to provide equal employment opportunities to the people of minority sections. Personnel policy of Indian Railways relating to the above objectives is to fill 15 per cent and 7.5 per cent of the vacancies from those candidates belonging to Scheduled Castes and Scheduled Tribes respectively.

9.4 EVOLUTION OF HUMAN RESOURCE MANAGEMENT

There is a close relationship between human resource management and that of management. Although the concept of HRM is new, but, its practice has been quite old. In India, the emergence of human resource management can be traced back to 1920s with the introduction of the concept of labour welfare in factories. A brief history of the evolution of HRM is discussed below.

- ***Trade Union Movement Era:*** The Trade Union Act, 1926 was passed and workers started associating themselves with Trade Unions to safeguard and protect their rights. Unions used various techniques such as strikes, walkouts, picketing, boycotts, etc as weapons against the management to fulfill their demands. With the evolution of trade union, practices such as collective bargaining, disciplinary practices, grievance handling system etc were also introduced.
- ***Social Responsibility Era:*** During the 20th century, the outlook towards the workers changed and they were not treated as mere money generating resources but a humanistic approach was shown towards the workers. Robert Owen, a British industrialist was considered to be the first one to propound and adopt humanistic and paternalistic approach towards the workers. Robert Owen gave stress on the fact that to improve the productivity, it is necessary to improve the conditions of employees by improving their living and working conditions. Owen's paternalistic approach was based on the philosophy that workers are

just like a child and owners are like a father. Robert Owen himself introduced many facilities for improving the conditions of the workers in his cotton mill in Scotland.

- ***Scientific Management Era:*** Fredrick Winslow Taylor was the father of Scientific Management and introduced the concept of Scientific Management in the USA early in the 20th century. Taylor developed the following principles of scientific management which are stated below.
  - Development and use of scientific methods in setting work standards, determining a fair day's work and the best way of doing work
  - Scientific selection and placement of workers best suited to perform the various tasks and provision of their training and development for maximum efficiency.
  - Time study to analyze and measure the time taken in doing the various elements of a job with a view to standardize the operations of a job.
  - Motion study involving close observation of the movements required to perform a job with a view to eliminate wasteful motions and decide on the best way of doing the job
  - Standardization of tools, equipment and machinery and working conditions
  - Incentive wage plan with differential piece rate of wages for efficient and inefficient workmen.
- ***Human Relations Era:*** During the 1920s and 1930s many researchers felt that human resource management should recognize workers as human beings having their feelings, attitudes and needs. This era is marked by the contributions of Prof Elton Mayo and his associates for his famous experiments at the Hawthorne Plant (1924-1932) of the Western Electric Company in the USA. Some of the major findings of the research investigation are stated below.
  - Physical environment at the work place do not have any material impact on the efficiency of the worker.

- Favourable attitudes of workers and work team towards their work were more important factors determining efficiency.
- Fulfillment of the workers social and psychological needs had a beneficial impact on the morale and efficiency of workmen.
- Employee groups based on social interactions and common interests exercised a strong influence on workers performance.
- Workers cannot be motivated solely by economic rewards. More important motivators are job security, recognition, right to express their opinion on matters related to them.

The Human Relations Era viewed the modern organization as a social system in which the social environment and the inter- personal relations guide the behavior of employees.

- ***Behavioural Science Era:*** Behavioural approach to HRM is based on the findings of intensive research carried out by several behavioural scientists across the world belonging to various disciplines such as sociology, social psychology, anthropology and management. The major areas of contribution of the behavioural scientists are motivation, leadership, communication, organizational change, organizational development, organizational culture and group dynamics. Some of the important highlights of this approach are briefly stated below.
  - Individual behavior and group behavior are closely related to one another.
  - Informal leadership is more important than formal leadership for people to achieve the standards of performance. Thus in modern organizations democratic leadership style plays a greater and better role in managing subordinates, than other styles of leadership.
  - People do not dislike work, but the job should be made interesting enough so that it acts as a source of motivation and satisfaction to employee.
  - Expanding subordinate influence, self control and self direction can improve operating efficiency.

- ***Systems Approach:*** A System is defined as "an organized and complex whole, an assemblage or combination of things or parts forming a complex unitary whole". The parts are known as sub-systems and they are interdependent, interrelated and interact with which each other and are not static, but subject to change. Some of the major characteristics or features of this approach are-
  - A system consists of many sub-systems or elements which are separate entities or units.
  - All the sub-systems are interrelated to one another.
  - Proper and timely communications are needed to facilitate interaction between the elements.
  - The interaction between the elements should lead to achieve some goal.
- ***Contingency Approach:*** The contingency approach to management is based on the assumption that there is no single best way of practicing management, which perfectly fits into all types of situations. Depending upon the situation, the way of management also differs. Hence this approach is called 'situational approach'. A particular approach to management, which best fits into a particular situation and yields fruitful and productive results, not necessarily will yield the same result in a different situation. Thus this approach gives stress on the fact that there is no one universal way of managing in all situations. Therefore, it is imperative for managers to analyze different situations and then use the best approach, best suitable in that particular situation.



CHECK YOUR PROGRESS

Q1: What is meant by HRM?

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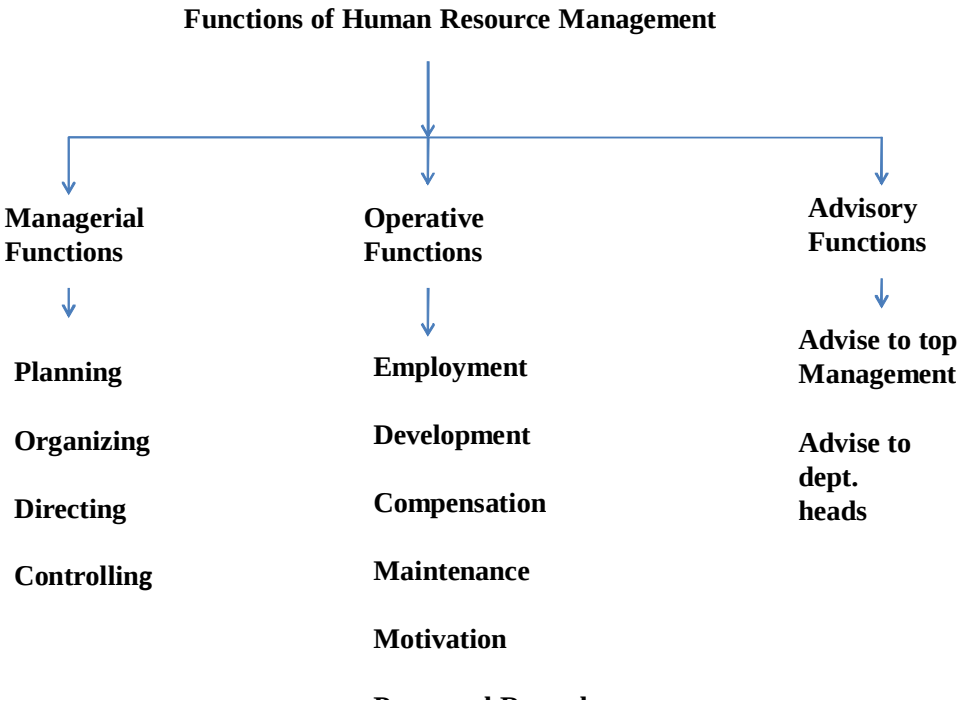
Q2: Write the Taylor's principles of scientific management.

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9.5 FUNCTIONS OF HUMAN RESOURCE MANAGEMENT

The major functions of Human Resource Management are broadly divided into three categories which are depicted in the chart below and are followed by a brief description.



Let us discuss the functions briefly as follows:

1. **MANAGERIAL FUNCTIONS:**
   a. **Planning:** Planning is a predetermined course of action for achieving organizational as well as departmental goals and objectives. For laying down policies and procedures to reach the goals, planning is required. The human resource manager also needs to plan for his department so that the departmental goals are achieved. For the human resource manager planning is required in the areas of anticipating vacancies, planning job requirements, job descriptions and determination of the sources of recruitment.

b. **Organizing:** It is the responsibility of the human resource manager to develop a suitable organization structure and carry out the various functions and operations of an organization. There should be proper grouping of activities, assignment of the activities, and delegation of authority and responsibility and coordination of the various activities.

c. **Directing:** Direction function is meant to guide and motivate the people to accomplish the personnel programs. This function involves encouraging people to work willingly and effectively for the goals of the enterprise. With the help of techniques such as career planning, proper salary administration, developing harmonious relations between employer and employee, a manager can motivate and direct the employees towards the achievement of organizational programs.

d. **Controlling:** Proper supervision and evaluation of the activities so that everything goes in accordance with the plans is termed as controlling. Regulation of activities is very essential to find out any deviation between the standards set in the plans and actual performance. Controlling techniques involve performance appraisal, critical examination of personnel records and statistics and personnel audit.

2. OPERATIVE FUNCTIONS:

a. **Employment:** Employment of proper kind and number of people in an organization is necessary for the development and achievement of the objectives of the organization. This function can be achieved and involves activities such as proper recruitment, selection, placement, induction etc.

b. **Development:** The follow up function of employment is development. For the upliftment of the skills of the employees the management has to train its employee to develop them for the higher jobs in the organization.

c. **Compensation:** Adequate and equitable compensation is essential for satisfying the employees and achieving the organizational goals. Compensation can be both in terms of monetary and non- monetary terms. While fixing remuneration, factors such as basic needs, requirements of jobs, legal provisions regarding minimum wages, capacity of the organization to pay etc should be taken into account.

d. **Maintenance:** Maintenance functions include measures such as health, safety, physical and social well-being of the workforce, facilities such as provision of cafeteria, rest rooms, counseling, group insurance, education of children of employees etc. Proper maintenance of workers along with good working condition is essential for the development of employees along with achievement of organizational goals.

e. **Motivation:** Motivation is to inspire the employees to work and fulfill the objectives of the organization. Until and unless the employees in the organization are well motivated, it becomes harder for the organization to push them forward for the achievement of the objectives. The HR manager helps the various departmental managers to design a system of financial and non financial rewards to motivate the employees.

f. **Personnel Records:** The HR department maintains the records of the employees working in the enterprise. It keeps full records of their training, achievements, transfer, promotion, etc. It also preserves many other records relating to the behavior of personnel like absenteeism, labour turnover of the organization.

3. **ADVISORY FUNCTIONS:**

a. **Advice to Top Management:** For formulation of personnel programs, policies and procedures and maintaining good and harmonious human relations, the personnel manager advises the top management from time to time.

b. Advise to Departmental Heads: Personnel manager gives advice to the various departmental heads on matters of manpower planning, job analysis and design, recruitment and selection, placement, training, performance appraisal etc.



CHECK YOUR PROGRESS

Q3: State two managerial functions of HRM?

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Q4: State two advisory functions of HRM?

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9.6 SCOPE OF HUMAN RESOURCE MANAGEMENT

The activities in the organisation of an employee come under the purview of HRM. The major HRM activities such as HR planning, job analysis, job design, employee hiring, remuneration, motivation, employee maintenance, industrial relations and prospects of HRM.

The scope of Human Resources Management extends to:

- All the decisions, strategies, factors, principles, operations, practices, functions, activities and methods related to the management of people as employees in any type of organization.
- All the dimensions related to people in their employment relationships, and all the dynamics that flow from it.

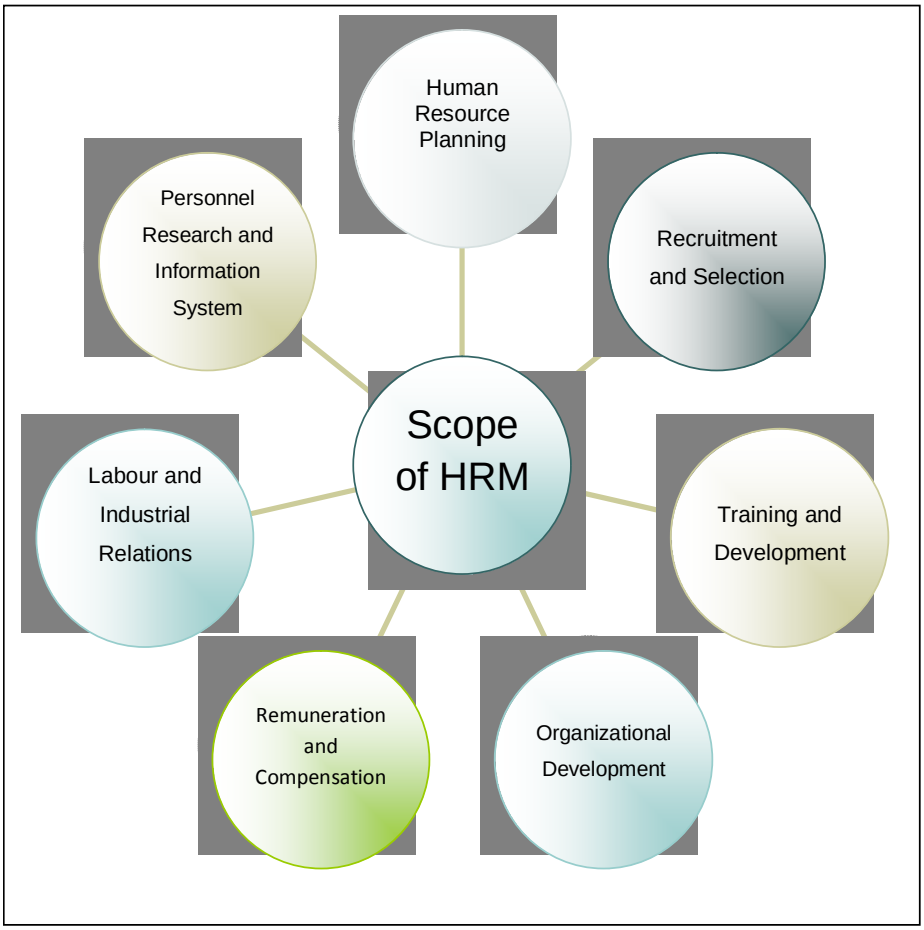


Figure 1.1: Scope of HRM

The scope of HRM is really vast. All major activities n the working life of a worker – from the time of his or her entry into an organization until he or she leaves it comes under the purview of HRM. American Society for Training and Development (ASTD) conducted fairly an exhaustive study in this field and identified nine broad areas of activities of HRM. These are given below:

- Human Resource Planning
- Recruitment and Selection
- Training and Development
- Organizational Development
- Remuneration and Compensation
- Labour and Industrial Relations
- Personnel Research and Information System

Let us now discuss this in detail:

a. **Human Resource Planning:** The objective of HR Planning is to ensure that the organization has the right types of persons at the right time at the right place. It prepares human resources inventory with a view to assess present and future needs, availability and possible shortages in human resource. Thereupon, HR Planning forecast demand and supplies and identify sources of selection. HRPlanning develops strategies both long-term and short-term, to meet the man-power requirement.

b. **Selection and Staffing:** This is the process of recruitment and selection of staff. This involves matching people and their expectations with which the job specifications and career path available within the organization.

c. **Training and Development:** This involves an organized attempt to find out training needs of the individuals to meet the knowledge and skill which is needed not only to perform current job but also to fulfill the future needs of the organization.

d. **Organizational Development:** This is an important aspect whereby "Synergetic effect" is generated in an organization i.e. healthy interpersonal and inter-group relationship within the organization.

e. **Compensation and Benefits:** This is the area of wages and salaries administration where wages and compensations are fixed scientifically to meet fairness and equity criteria. In addition labour welfare measures are involved which include benefits and services.

f. **Labour and Industrial Relations:** Healthy Industrial and Labour relations are very important for enhancing peace and productivity in an organization. This is one of the areas of HRM.

g. **Personnel Research and Information System:** Knowledge on behavioral science and industrial psychology throws better insight into the workers expectations, aspirations and behaviour. Advancement of technology of product and production methods have created working environment which are much different from the past.

Globalization of economy has increased competition many fold. Science of ergonomics gives better ideas of doing a work more conveniently by an employee. Thus, continuous research in HR areas is an unavoidable requirement. It must also take special care for improving exchange of information through effective communication systems on a continuous basis especially on moral and motivation.

9.7 DIFFERENCE BETWEEN HUMAN RESOURCE MANAGEMENT AND PERSONNEL MANAGEMENT

We come to know that both Human Resource Management (HRM) and Personnel Management focus on people management. But there are some differences between the both; this can be stated as below:

Human Resource Management	**Personnel Management**
1. HRM focuses more on Unitarist where the word “uni” refers to one and together.	1. Personnel management focuses more on individual where individual interest is more than group interest.
2. In, HRM the power is decentralized, where the power between top management is shared with middle and lower management groups and the decisions are taken by all levels of management.	2. The distribution of power in personnel management is centralized, where the top management has full power and authority in decision-making.
3. HRM believes in transformational leaders.	3. Personnel management emphasizes on transactional Leadership style.
4. HRM does not focus on one-time life-long contract where working hours and other terms and conditions of employment are seen as less rigid.	4. In personnel management, employee’s contract of employment is clearly written and employees must observe strictly the agreed employment contract.

5. HRM encourages organizations to look beyond pay for functional duties. Here, the pay is designed to encourage continuous job performance.	5. Pay policies in personnel management is based on skills and knowledge required for the perspective jobs only.



CHECK YOUR PROGRESS

Q5: What is meant by Personal Management?

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Q6: What are the Welfare Aspect and Industrial Relations Aspect of HRM?

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9.8 ROLE OF HR EXECUTIVES

An HR Executive performs all the basic functions relating to human resources starting from recruitment till separation in an organization. An HR executive is the key member in the HR department and plays a very important role in the organization. Some of the major roles played by the HR executives are stated below.

1. ***Recruitment:*** The following are some of the major roles played by HR executive in recruitment.
   - Understanding the manpower requirement from the concerned department.
   - Understanding the requirement and accordingly drafting a job description and getting it approved from the concerned department.
   - Securing candidates that match the desired skills.
   - Screening the candidates by conducting telephonic or personal interviews as the case may be.

- Arranging for an interview and coordinating with the person concerned.
- Communicating the employment status to the applied candidates.
- Maintaining and updating the database of the candidate.
- Doing a background verification of the shortlisted candidates.

2. ***Induction and On-boarding:*** The following are some of the major roles played by HR executive in Induction and On-board training programme.
   - Giving offer letter and issuing appointment letter to the selected candidate.
   - Communicating the policies, procedures and culture followed by the company.
   - Introducing the new joinee to the team and supervisor or manager.
   - HR policies and HR Manual:
   - In the absence of any HR manual, drafting and preparing the same for the company.
   - Making or amending the existing policies and procedures.
3. ***Attendance and Leave Records:*** The following are some of the major roles played by HR executive in keeping attendance and leave records.
   - Keeping a track of the attendance of the employees.
   - Feeling the leave forms and keeping a track of the leaves taken. Seeing to it that there is not much absenteeism on any given day.
   - Seeing that every employee is regular and if there is any irregular employee, taking corrective and preventive measures.
4. ***Performance Management:*** The HR executive helps the appropriate authorities in doing the performance appraisal of the employees.
5. ***Employee Involvement:*** The following are some of the major roles where the HR executive are involved:
   - Maintaining a record and track on employee turnover and exit rate.
   - Taking necessary steps to engage and involve the staff to their work.
   - Planning events or activities regularly and getting those approved by the senior management and implementing those.
6. ***Workforce Management:*** The following are some of the major roles played by HR executive in workforce management:

- Handling the staff properly so that people are satisfied with one another.
- Handling cross culture things.
- Monitoring that there is no groupism in the organization due to which dissatisfaction arises.

7. ***Conducting Exit Formalities:*** HR executive has a major role in conducting the exit formalities:
   - Conducting exit interviews of the candidates those who are resigning.
   - Trying to get proper feedback for the company and trying to take and implement corrective measures.
   - Helping the person to be released properly.
   - Issuing releasing letter and letter of experience.
   - Doing all the official work for full and final settlement for the outgoing person.
8. ***Compensation and Benefits:*** The following are some of the major roles played by HR executive in compensation and benefits of the employees.
   - Designing the salary structure for the employees.
   - Helping employees save tax by advising them on tax benefits plans and other investment. Calculating the gratuity, handling PF accounts etc.

9.9 CHALLENGES OF HUMAN RESOURCE MANAGEMENT

A potentially large number of activities are involved in human resource management but the number varies according to the size and needs of the organization. The human resource management activities are themselves affected by the external environment such as government policies, labour market, economic environment, business environment, competition, population etc.

The major challenges of human resource management are as follows:-

1. **Integrating organizational planning with human resources requirement:-** Organizational planning must be closely integrated

with human resources requirements of the organization. Attention to be given in human resources requirement and their development. The kind, number and quality of human resources has to be considered and decisions are accordingly taken. The method of their procurement, salary structure, other benefits, rewards, health and safety provisions are to be planned and decided while planning for the organization.

2. **Human Resources Planning:-** Human Resources Planning enables the management to make forecast for Human Resources and to design the policies for their procurement in the broader interests of the organisation. Job analysis, Job description and job specification are the part of Human Resources Planning. It helps the organization to decide on training and development of the present staff, their salary structure, other benefits, promotional channel etc.

3. **Acquisition of human resources:-** It is to be done very carefully because everything depends on the people. Quality of the product and prestige of the organization depends on them. Human Resources recruitment plan should be tailored in such a fashion that it suits to the organizational objectives. For example managers having functional expertise must be recruited who can integrate with the attitude and culture of the organization.

4. **Managing performance:-** Organization has to make clear a way for career advancement for talented as well as hard working people. Fear of any kind from the minds of the employees should be removed so that they give the best to the organization. Communication network should be designed in such a way that it allows free flow of information.

5. **Motivation:-** Human Resources should be treated with utmost care. For better returns the motivation of employees become essential. Stimulating people to work hard is the most important phenomenon. Innovative and creative instinct has to be recognized.

6. **Compensation and benefits:-** It is an activity that determines salary and wage structures, other rewards and benefits to be paid to the staff of an organization. The suitable rewards and benefits system increases the morale of the employee and ultimately improve their performance.

   Non-financial rewards such as recognition of the work performance, praise, the privileges and rights also play dominant role in improving performance of the employees. Monetary incentives are the direct booster of performance. These incentives are based on performance of the employees. Along with incentives, the disincentives also should be introduced for non-performance.

7. **Health and safety provision:-** Making adequate provisions for health and safety of the employees, build a strong workforce. The employees must be protected from the physical danger and health hazards by providing for their safety at the workplace and health care centre for them and their families. The activity also includes the protection of the surrounding community from pollution and other toxic substances emitted from the factories.

8. **HRD and Organizational Development(OD):-** Human resource development is regarded as the process of increasing knowledge, competence, capacities, intelligence, and talents of the members of the organization in particular and all of the society in general. Moreover it builds the confidence among the members of the organization to face challenges of modernization. In over all Human resource development facilitates organization development.

   Again, O.D. is an activity that determines the strategies of the organization to improve the performance of the employees and their satisfaction and make the organization effective by creating an environment favourable for introducing change. The objective is to increase the performance of individuals and groups, increase the level of cooperation and teamwork in the organization.

9. **Encouraging participation in management: -** Organizations encourage employees participation in decision-making which increases the performance of employees as well as the productivity of the organizations. Management has to develop the skills of participation among employees. Effective participation is not easy. Information should be shared with the employees to make them fit to take decision and participate in management.



CHECK YOUR PROGRESS

Q7: Write any four major challenges of HRM?

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Q8: Write ant two roles of HR Executive?

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9.10 LET US SUM UP

In this unit we have learnt the following concepts:

- Human Resource Management is concerned with the people dimension in management of an organization.
- The major functions of Human resource management are broadly divided into three categories which are managerial, operative and advisory.
- The scope of HRM is very broad and wide. In fact it includes every activity starting from human resource planning till the separation of the employee from the organization.



9.11 FURTHER READING

1. S.S. Khanka (2007), *'Human Resource Management: Text and Cases'*, 1st Edition, S. Chand and Company Ltd, New Delhi.
2. K. Aswathappa (2013), *'Human Resource Management: Text and Cases'*, 7th Edition, McGraw Hill Education (India) Private Limited.
3. K. Aswathappa (2005), *'Human Resource and Personnel Management'*, 4th Edition, Tata McGraw Hill Education.

9.12 ANSWERS TO CHECK YOUR PROGRESS

Ans to Q1: Human Resource Management is the planning, organizing, directing and controlling of the procurement, development, compensation, integration, maintenance and separation of human resource to the end that individual, organizational and social objectives are accomplished.

Ans to Q2: Taylor developed the following principles of scientific management which are stated below.

- Development and use of scientific methods in setting work standards.
- Scientific selection and placement of workers best suited to perform the various tasks
- Time study
- Motion study

Ans to Q3: Two managerial functions of HRM are:

a. Planning b. Organizing

Ans to Q4: The advisory functions of HRM are:

a. Advice to Top Management b. Advice to Departmental Heads

Ans to Q5: Personnel management focuses more on individual where individual interest is more than group interest. The distribution of power

in personnel management is centralized, where the top management has full power and authority in decision-making

Ans to Q6: Welfare Aspect includes working conditions, facilities such as canteen and crèches for infants, rest and lunch rooms, housing, transport, medical assistance, education, health and safety, recreation facilities etc.

Industrial Relations Aspect covers union-management relations, collective bargaining, joint consultation, grievance and disciplinary actions, settlement of disputes etc.

Ans to Q7: The major challenges of HRM are as follows:

a. Integrating organizational planning with human resources requirement

b. Human Resources Planning

c. Acquisition of human resources

d. Managing performance

Ans to Q8: The two major roles played by the HR executives are stated below.

a. Recruitment b. Induction and On-boarding



9.13 MODEL QUESTIONS

1. Explain the meaning of Human Resource Management.
2. Discuss the various functions of Human Resource Management.
3. What are the various essential skills of an HR Executive? Discuss.
4. Write brief notes on the following:
   a. Social Responsibility Era
   b. Scientific Management Era
   c. Systems Approach
5. Scope of Human resource Management

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UNIT 10: HUMAN RESOURCE PLANNING

UNIT STRUCTURE

10.1 Learning Objectives

10.2 Introduction

10.3 Concept of Human Resources Management

10.4 Features of Human Resource Planning

10.5 Objectives of Human Resource Planning

10.6 Importance of Human Resource Planning

10.7 Human Resource Planning Process

10.8 Methods of Demand Forecasting in Manpower Planning

10.9 Methods of Supply Forecasting of Human Resource

10.10 Labour Wastage

10.11 Essentials for the success of Human Resource Planning

10.12 Let Us Sum Up

10.13 Further Reading

10.14 Answers to Check Your Progress

10.15 Model Questions

10.1 LEARNING OBJECTIVES

After going through this unit, you will be able to :

- discuss the meaning of Human Resource Planning (HRP)
- outline the major features of HRP
- describe the major objectives of HRP
- learn the importance of HRP
- discuss the HRP process
- learn the methods of demand forcasting and supply forecasting of Human Resource
- discuss the concept of labour wastage and the essentials for the success of Human Resource Planning

10.2 INTRODUCTION

In this unit we are going to learn the concepts and the meaning of 'Human Resource Planning'. We are going to get the knowledge as how important the human resource planning is for an organization along with its definitions. The items of HR management are suggested to be planned under human resource planning. We will also discuss the planning process and its five steps along with the requisites to make the manpower planning an effective one.

"Manpower planning" and "human resource planning" is synonymous. Previously the phrase "manpower planning" was widely used. But now it is replaced by the term "human resource planning" which has a broader base than that of manpower planning. Human resource planning determines how an organization should move from its current to the desired position of manpower.

10.3 CONCEPT OF HUMAN RESOURCE PLANNING

It is a known fact that Human Resources are the most important and dynamic resources in an organization. Substituting human resources with other resources is almost impossible. It is the human resources only which makes the best use of other available resources in an organization. Proper estimation of manpower requirement and the sources from which they will be acquired is an important function of human resource management and is important for the organization for its long term upliftment. If an organization fails to get the required manpower, than the work will suffer. So for coping up with the human resource requirements, an enterprise has to plan its needs in advance and also the sources.

In simplest words human resource planning can be defined as selecting and allocating the right type people, in the right number, at the right time and place, which are trained and motivated to do the right kind of work at the right time.

The definitions of Human Resource Planning are as follows:

According to Terry L. Leap and Michael D. Crino ," HRP includes estimation of how many qualified people are necessary to carry out the assigned

activities, how many people will be available and what, if anything, must be done to ensure that personnel supply equals personnel demand at the appropriate time in the future."

In the words of Beach," Human resource Planning is a process of determining and assuming that the organization will have an adequate number of qualified persons, available at the proper times, performing jobs which meet the needs of enterprise and which provide satisfaction for the individuals involved."

10.4 FEATURES OF HUMAN RESOURCE PLANNING

Human Resource Planning has many characteristics/ features which are briefly discussed below:

1) **Determination of human resource needs:** HRP helps in exact determination of human resource needs in an organization. The requirements of human resources are planned well in advance so that the resources are available at time when they are required.

2) **Balance in Demand and Supply:** *O*ne of the important features or characteristics of HRP is that it helps in balancing and adjusting the demand and supply of human resources in an organization.Planning for the demand and supply of personnel should be made well in advance.

3) **Creating congenial work environment:** HRP also helps in ensuring a proper and congenial work environment and conditions of work. HRP helps in recruiting and selecting the right type of people for the right job at the right time which helps in achieving organizational objectives

4) **Maintaining proper manpower inventory:** HRP includes keeping stock of present as well as future manpower requirements of an organization. It helps in knowing not only the present available resources with the organization but also helps in estimating the future requirement.

5) **HRP is a continuous process:** HRP is a continuous process as constant monitoring of the plans is required. Since our external environment keeps on changing and both the external as well as internal forces affect the business, the manager needs to continuously monitor and review the human resource plans.

6) **HRP is an intellectual process:** HRP is an intellectual process because it requires a lot of thinking and knowledge. Since HRP also involves forecasting, proper knowledge of the forecasting techniques and understanding the trends requires a lot of thinking.



CHECK YOUR PROGRESS

Q1: What is meant by Human Resource Planning?

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Q2: Write four features of Human Resource Planning.

a. ……

b. ……

c. ……

d. ……

10.5 OBJECTIVES OF HUMAN RESOURCE PLANNING

The major objectives of Human Resource Planning are mentioned below:

1) Ensuring adequate supply of manpower as and when required.
2) Helps in ensuring proper use of existing human assets in the organization.
3) Helps in forecasting future requirements of human resources at different levels in the organization with different skills.
4) Determines the effect of technology on jobs and requirements for human resources.
5) Balancing the surplus or shortage of human resources available in the organization.

10.6 IMPORTANCE OF HUMAN RESOURCE PLANNING

Human Resource Planning is important or significant due to the following reasons.

1) Helps in coping with change: The external environment is very dynamic and it keeps on changing rapidly. Constant changes in

technology, political and social field affects the business. HRP helps a business in adapting with the external changes.

2) ***Intake of talented people:*** Another major importance of HRP is that, it helps in taking or recruiting the most talented personnel in the organization. It not only helps in determining the present needs of the human resources but also assesses the available HR inventory level and finally helps in recruiting the required personnel.

3) **Utilization of human resources:** HRP is framed keeping in view the objectives of the organization. HRP adopts such measures which not only helps in achieving the objectives of the organization but also in the optimum utilization of the human resources employed in the organization.

4) **Estimating future manpower needs:** HRP, with the help of various forecasting techniques helps in estimating the future manpower requirements properly without hampering the regular activities of the organization.

10.7 HUMAN RESOURCE PLANNING PROCESS

HRP process consists of some steps which are discussed below.

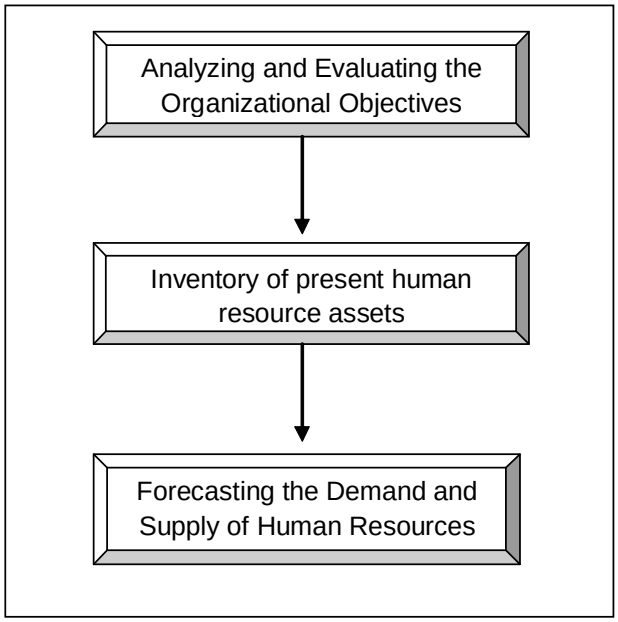


Fig: 2.1 Human Resource Planning Process

1) **Analyzing and Evaluating the Organizational Objectives:** Every organization has its own objectives to be achieved. Every department such as the production, marketing, finance etc has its own long and short term objectives and goals. Human resource planning requires proper analysis and evaluation of the overall and departmental objectives of the organization so that the right number and quality of human assets can be allotted and the activities can be carried on smoothly in the organization.

2) **Inventory of present human resource assets:** Human resource inventory should always be updated so that the current number of employees, their potential and performance can be analyzed. Then to fill the various job vacancies, the internal as well as external sources can be estimated.

3) **Forecasting the Demand and Supply of Human Resources:** Human resource requirements at different departments, levels and positions according to the job profile are to be estimated. The sources to fulfill the requirements i.e. internal and external are to be analyzed and evaluated properly. Proper matching between job description and job specification is also to be done.



CHECK YOUR PROGRESS

Q3: State any four reasons, why Human Resource Planning is important?

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Q4: Write the steps in the process of Human Resource Planning.

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10.8 METHODS OF DEMAND FORECASTING IN MANPOWER PLANNING

The various methods of demand forecasting in manpower planning are as follows:

1. **Executive Judgment:** This method is suitable for smaller enterprises. Here the executives sit together and determine the future requirements of human resources. The proposal adopted by the executives is then conveyed to the top level management for final approval. This is also known as 'bottom-up' approach. The method is known as 'top-down' approach when the members of the top management estimate the requirement of human resources taking into account the advice of the departmental heads.
2. **Work Study Technique:** This method is also known as work load analysis or work load forecasting. Here working capacity of each employee is calculated in terms of man-hours. After that man hours required to produce a single unit is calculated and then the number of required employees is used for long-term forecasting. The following is an example :
   a) Planned Annual Production (a) = 400000 units
   b) Standard Man- Hours required for producing each unit (b) = 2 hours
   c) Planned man-hour needed for the year (a*b) = 800000 hours
   d) Planned Annual contribution of an employee = 2000 hours
   e) No. of employees required (c/d) = 800000/2000 = 400 employees
3. Statistical Techniques: The following methods of forecasting are used under this category.
   a) Ratio Trend Analysis: Under this method ratios are calculated from the past data related to the number of employees of each category i.e. production, sales and marketing, work load levels etc. Future production and sales levels, work load, activity levels are estimated with an allowance of changes in organization, methods and jobs. Future ratios are calculated. Future human resource requirements are calculated on the basis of established ratios.

b) **Econometric Models:** These models are built upon the basis of analysis of past statistical data establishing relationship between variables in a mathematical formula. Variables may be related to factors such as production, sales, finance and other factors affecting human resource requirements.

c) **Regression Analysis:** This method is used to forecast demand for human resources taking into account factors such as sales, productions, services etc. This method is used when independent and dependent variables are functionally related to each other.

10.9 METHODS OF SUPPLY FORECASTING OF HUMAN RESOURCE

Here estimation of supply of human resources is made taking into account the analysis of current human resources inventory and future availability.

a. **Existing Inventory:** Here a stock of the present HR inventory is taken.

b. **Head Count:** Total number of people available department wise, designation wise, pay-roll wise etc is counted here.

c. **Job Family Inventory:** Here number and category of employees of each job family such as office staff, sales and marketing staff, production staff, maintenance staff and industrial staff etc are counted.

d. **Age Inventory:** Proper age composition of human resources is very important in an organisation. Proper combinations of young and old employees play an important role in the success of an organization. This method gives us the age composition of the human resources.

e. **Inventory of skill, experiences, values and capabilities:** Stock of present inventory of skill, years of experience is important.

f. **Emoluments:** Compensation received by virtue of holding an office or having employment

Qualification and Training Inventory: It consist of the inventory of educational qualification including technical and special qualifications and the training received by the employees.

g. **Inventory of Salary Grades:** This includes pay and allowance wise and total ***emoluments*** wise stock taking.



CHECK YOUR PROGRESS

Q5: What is 'Executive Judgment' and 'Ratio Trend Analysis' method of demand forecasting in Manpower Planning

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Q6: State any four methods of Supply Forecasting of Human Resource

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10.10 LABOUR WASTAGE

The term **wastage of labour** is the loss of employees other than by redundancy. Redundancy points out the position of the employee as no longer needed for any available job and therefore liable to dismissal. In an organization, the **wastage of labour** is mainly caused by the factors like Labor turnover, Idle Time and Absenteeism.

While forecasting future manpower requirement labour wastage should be taken into account. Proper actions must be taken to reduce labour wastage and control losses. For forecasting the rate of potential loss, causes of loss etc, HR managers have to calculate the rate of labour turnover and conduct exit interviews. Potential losses can be classified into the following categories.

a) **Permanent Total Loss:** It may be due to deaths, voluntary quits, retirement, dismissals, retrenchment, demotions etc.

b) **Permanent partial Loss:** This loss may be in the form of loss of some skills, potentials and capabilities due to ill health or accidents.

c) **Temporary Total Loss:** This loss is due to loss of aptitudes, values, change in outlook and attitude of existing employees towards their jobs. Employee absenteeism may also be a reason for this.

d) **Temporary Partial Loss:** This loss is due to consultancy or advice offered by the employees of the organisation to others. This loss of labour hours has to be there because many organisations encourage this practice as there is revenue to the organisation also.

10.11 ESSENTIALS FOR THE SUCCESS OF HUMAN RESOURCE PLANNING

Some of the essentials for the success of Human Resource Planning in an organization are listed out and discussed below.

1) **Integration of Human Resource Plans with the Organizational Plans:**

   Organisational plans focus on achieving the objectives and goals of production, finance, sales and marketing departments. The HRP should be integrated and coordinated with the overall business plan of the organization.

2) **Support and motivation from Top Management:**

   Success of any plans in an organization depends upon the support and motivation from the top level management of an organization. Top management should provide all the helping hand and resources for the proper implementation of the Human Resource Planning in an organization.

3) **Existence of a full fledged HR Department:**

   There must be a full fledged HR department which takes care of acquisition and development of human assets of the organization.

4) Proper formulation of HR Policies:

Various HR Policies such as promotion, transfer, training, compensation etc should be prepared and formulated in coordination with the HR Planning of the organization.



CHECK YOUR PROGRESS

Q7: What is meant by Labour Wastage

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Q8: State any four essentials for the success of Human Resource Planning

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10.12 LET US SUM UP

In this unit we have discussed the following:

- Human resource planning can be defined as selecting and allocating the right type people, in the right number, at the right time and place, which are trained and motivated to do the right kind of work at the right time.
- One of the objectives of HRP is to ensuring adequate supply of manpower as and when required.
- While forecasting future manpower requirement labour wastage should be taken into account
- Human Resource Planning has many characteristics/ features which are briefly discussed below:
  a. Determination of human resource needs
  b. Balance in Demand and Supply
  c. Creating congenial work environment

d. Maintaining proper manpower inventory
e. HRP is a continuous process
f. HRP is an intellectual process

- Human Resource Planning is important or significant due to the following reasons.
  a. *Helps in coping with change*
  b. *Intake of talented people:*
  c. *Utilization of human resources*
  d. *Estimating future manpower needs*
  e. Forecasting the Demand and Supply of Human Resources
  f. Inventory of present human resource assets
  g. Analyzing and Evaluating the Organizational Objectives
- Human Resource Planning is important due to the following reasons.
  a. Helps in coping with change
  b. Intake of talented people
  c. Utilization of human resources
  d. Estimating future manpower needs
  e. Forecasting the Demand and Supply of Human Resources
  f. Inventory of present human resource assets
  g. Analyzing and Evaluating the Organizational Objectives



10.13FURTHER READING

1. S.S. Khanka (2007), *'Human Resource Management: Text and Cases'*, 1st Edition, S. Chand and Company Ltd, New Delhi.

2. K. Aswathappa (2013), *'Human Resource Management: Text and Cases'*, 7th Edition, McGraw Hill Education (India) Private Limited.
3. K. Aswathappa (2005), *'Human Resource and Personnel Management'*, 4th Edition, Tata McGraw Hill Education.

10.14 ANSWERS TO CHECK YOUR PROGRESS

Ans to Q1: Human Resource Planning can be defined as selecting and allocating the right type people, in the right number, at the right time and place, which are trained and motivated to do the right kind of work at the right time.

Ans to Q2: The four features of Human Resource Planning are:

a. Determination of human resource needs
b. Balancing in Demand and Supply
c. Creating congenial work environment:
d. Maintaing proper manpower inventory

Ans to Q3: Human Resource Planning is important due to the following reasons.

a. Helps in coping with change
b. Intake of talented people
c. Utilization of human resources
d. Estimating future manpower needs

Ans to Q4: The steps is the process of Human Resource Planning are as follows-

a. Analyzing and Evaluating the Organizational Objectives
b. Inventory of present human resource assets
c. Forecasting the Demand and Supply of Human Resources

Ans to Q5: Executive Judgment is suitable for smaller enterprises, where the executives sit together and determine the future requirements of human resources.

Ratio Trend Analysis method ratios are calculated from the past data related to the number of employees of each category i.e. production, sales and marketing, work load levels etc.

Ans to Q6: Four methods of supply forecasting of human resource are as follows -

a. Existing Inventory

b. Head Count

c. Age Inventory

d. Job Family Inventory

Ans to Q7: The term wastage of labour is the loss of employees.

Ans to Q8: Followings are essentiasls for the sucess of Human Resource Planning-

a. Integration of Human Resource Plans with the Organizational Plan

b. Support and motivation from Top Management

c. Existence of a full fledged HR Department

d. Proper formulation of HR Policies



10.15 MODEL QUESTIONS

1) Define Human Resource Planning.
2) State and explain the major features of HRP.
3) Why do you think HRP is important for an organization? Discuss
4) Write short notes on the following:
   a) Essentials for the success of HRP.
   b) Labour wastage
   c) Statistical techniques of demand forecasting in HRP.

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UNIT- 11: HUMAN RESOURCE DEVELOPMENT (HRD)

UNIT STRUCTURE

11.1 Learning Objectives
11.2 Introduction
11.3 HRD Planning
11.3.1 HRD Philosophy
11.3.2 HRD Sub-systems
11.3.3 HRD Objectives
11.3.4 HRD Policies
11.3.5 HRD Action plan and Strategy
11.4 Organising the HRD System
11.4.1 Forms of HRD Organisation
11.5 Let Us Sum Up
11.6 Further Reading
11.7 Answers to Check Your Progress
11.8 Model Questions

11.1LEARNING OBJECTIVES

After going through this unit, you will be able to

- describe the philosophy of HRD.
- explain HRD policies
- explain HRD action plan and strategy
- explain organizing the HRD system.
- describe the forms of HRD Organisation

11.2INTRODUCTION

In the first unit, we have studied about the basics of Manpower Planning. In this unit we are going to discuss about planning and organizing

the Human Resource Development (HRD) system. Planning system of HRD comprises of their beliefs that is its philosophy, its various subordinated systems, goals and objectives, policy and strategy for implementation. Organizing system for HRD system embraces various structures, activities; responsibilities of HRD, and quality traits of HRD administrator. In every organisation, people are appointed to carry out task of the HRD System. All the corporate, public or private enterprises, government organisations, hospitals, schools, requires a plan of various activities of human resource development incorporating its efforts at differentstages into an integrated plan with details regardingits their beliefs that is its philosophy, its various subordinated systems, goals and objectives, policy and strategy for implementation.

In this unit we are going to discuss in detail about philosophy and policies of HRD. Further we are also going to discuss HRD action plan and strategy, organizing the HRD system and forms of HRD organization. In the next unit, we will discussabout individual development.

11.3HRD PLANNING

Planning system of HRD comprises of their beliefs that is its philosophy, its various subordinated systems, goals and objectives, policy and strategy for implementation.

11.3.1 HRD Philosophy

One of the most vital and crucial part of HRD plan is HRD philosophy. HRD philosophy symbolizesand represents all principles, morals, belief and opinionsthat are believedby themanaging bodyof an organisation with regards to its employees' progress, growth and development. HRD philosophy which is well-established has two significant functions of developing a management style and bringing clarity in the organisational goals. For the accomplishment of HRD programme beliefs which are consideredvital are as follows:

1. Most important asset of an organisation is human beings.
2. Humans have capabilityto develop to an infinitelevel.
3. If the feeling of 'belonging' among the employees is developed by the organisation then it creates a feeling of commitment towards the work and theorganisation in the employees.
4. It is likely that employees will have a sense of 'belonging' if appropriately care of their satisfaction , fundamental and needs of higher order is taken by the organisation.
5. When employees' get opportunities and various prospects to find out and discover and use potential fully, it enhances their commitment towards the work.
6. To make certain subordinates progress and use of competences, build a vigorous and encouraging work culture, and to position models to be pursued are the responsibilities of every manager.
7. All the managers at thesuperiorrankin an organisational levelhave an additionalresponsibility towards HRD function for ensuringitsefficiency and success.
8. A healthy, vigorous and encouraging work culture is symbolised by zeal, support, openness, trust and teamwork.



CHECK YOUR PROGRESS

Q1. What does HRD Philosophy symbolises?

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11.3.2 HRD Sub-Systems

Once the HRD philosophy of an organisation is set and established, the plan of HRDshouldindicatethe severalsubordinated or sub-systems or tools those are to be utilised. Analyzing various roles involved in a job, recruitment process, selection and appointment process, transfer or job rotation, Recognition and

rewards, disciplinary, training and development, performance appraisal, counseling, feedback, career and succession planning, data storage of HRD etc. are various subordinated or sub-systems. Amongst these various sub-systems training is deliberated as the utmost vibrant and important sub-system. Training is so vital that many organisations consider it equivalent and identical to HRD. On the other hand this is inappropriate, as training single-handedly is inadequate to fetch the preferred changes inthebeliefs of the organization.So, the training activity should be supported by other sub-systems to bringthe desired changes in an organisation.

11.3.3 HRD Objectives

The next significant step, after describing the HRD sub-systems, is to lay down the HRD goals and objectives.All the HRD activities are planned towards achieving this objectives.While defining these HRD objectives, a substantial thought must be given to the various departmental objectives in an organisation, objectives of an organisation as a whole and other social objectives. All objectives and goals within an organisation should support and must be mutually interlinked. If there is obstruction between them the situation becomes disastrous. So, it becomes necessary to have 'matrix'of all the objectives and goals that are conjointly co-operative.

By and large, objectives of organisations' are efficiency, assistance and returns; objectives of employees are respectable salaries, good environments, financial safety, and opportunities to progress and develop. Objectives should be attainable and measurable and must be defined in such ways to be 'feasible' and quantifiable so that level of attainment can be measured.Though, if extremely qualitative in nature it can become measurable by implying working sub-objectives with probable association to the fundamental objective.For example; objective which has a low degree of verifiability such as "to sustain high morale and healthierhuman relations" in this case someoperative sub-objectives might be

established like (i) less absenteeism in organisation (ii) low employee turnover rate of the organisation (iii) time bound grievance settlement procedure etc. Hence, the objective "to sustain high morale and healthier human relations" is verified in relationship of these added concrete measures.



CHECK YOUR PROGRESS

Q2. How HRD objectives must be defined?

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11.3.4 HRD Policies

Policies are the subsequent imperative portion of HRD plan. Policies are universal statements that give direction to the thinking and action in the process of decision-making. As it only gives direction to in the process of forming a decision so there is possibility of having alternatives. Else they would be termed asrules instead of policies.Comprehensive HRD policies are vital foundation for good HRD practices. Policies are foundation for management to act by principles rather than convenience. If the policies are not framed all the decisions taken are on interim basis, resulting in inappropriateconsequences. While framing HRD policies following areas should be taken into consideration:

Selection Policy: Organisational selection policy must provide clear guidelines regarding the following:

i) Reservation: caste wise reserved seats.
ii) Employing: localities, relatives of present employees, employees of competitors etc.
iii) Promotions of employees.
iv) Preference for physically challenged persons.
v) Retirement of employee: age, length of service or efficiency.
vi) Role of union if any in recruitment of employees.

vii) Job preview: Giving an idealistic preview of a job is inappropriate. All the aspects of the job whether positive or negative must be informed to the job applicant. For example an applicant must be informed regarding how she/he will be supervised, what role he needs to perform etc. As per the researches

viii) Expenditure: All the expenditure expected to be incurred during selection procedure foradvertisements, assessment, training, travel etc.

Training Policy: Organisational training policy must provide clear guidelines regarding the following:

i) Training Needs: It should be clearly stated that how the training needs is to be determined?

ii) Training Content: In what wayshould training coursebe designed or planned?

iii) Follow-up and Evaluation Method: In what way follow-up and appraisal of training must be conducted?

iv) Post-Training: In what manner post-training support must be given?

Compensation Policy: Organisational **c**ompensation policy must provide clear guidelines regarding the following:

i) Wage rate: One of the major policy issues is to determine the organisational wages which should be relative to the market and the industry rates. Wages to be paid to employees should be equal, lower or higher level than those prevalent in market or industry has to be determined.

ii) Relationship between the salaries and wages given to various cadres.

iii) Appreciation to be specifiedon the basis of individual performance.

Policy regarding Arrangement for work: Organisational policy regarding arrangement for work must provide clear guidelines regarding the following:

i) Working hours: Daily work hours, duration of rest and pauses etc.

ii) Leaves and vacation

iii) Working conditions

Policy Regarding Employee Service: Organisational policy regarding employee service must provide clear guidelines regarding the following:

i) Employee welfare

ii) Systematising co-operative societies

iii) Celebration of festivals

iv) Re-creational centres

v) Sports

vi) Budgeting of family.

Industrial Relations Policy: At this point the organisation should clearly direct the magnitude of its conviction towards collective bargaining. Further, rights of workers toselect the union and their union leadermust be directed. The organisational policies concerning third party interferenceduring the industrial disputes must be stated.



CHECK YOUR PROGRESS

Q3. What is meant by policies?

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11.3.5 HRD Action Plan and Strategy

HRD Action Plan: The last step of HRD plan is to prepare an action plan for each subsystem of HRD. The action plan should specify every information and method regarding implementation of sub-system. It should also provide details regarding various stages and itsfinancing source.

Policy Integration : To attain organisations success it is very important that there should be integration of its corporate policy and HRD policy. When HRD policy becomes an integral part of corporate

policy and is set within, it assists in accomplishing the organisational goals and objectives in more effective manner by providing path and rationality to HRD programmes. HRD department has a dual role in formulation of policy to attain this integration. First, while formulating corporate policy it needsto be involved and secondly, while formulating own policy it has to consider corporate policy and maintain consistency between them.These dual roles have to be played concurrently in a parallel procedure.

HRD Strategy: An appropriate HRD strategy for the wholeorganization leads towards its growth.Anall-inclusive HRD strategy must be reinforced by HRD systems ranging from top level to bottom level employees. It is imperative to continuously scan the environment to discover opportunities and be prepared to face threats. There ought to be balance and consistency between HRD strategy and corporate strategy. They must go hand in hand.

The HRD strategy must provide responsesfor the following:

i) Whether HRD objectives, policies, programmes and strategies of the organization are specified clearly or simply implied
ii) Whether there is consistency between all the HRD activities and organization's mission, vision, goals and objectives, policies, and environment?
iii) In what manner is the performance of HRDfunction in relationto improve the fit amongst theindividual employee and the work?
iv) Whether the aptplanning and methodsare being used to assess and enhance the corporateperformance?

A model, where human resource development strategies are aligned with an organisations life cycle strategies is developed by Schein. According to the model, at the embryonic stage of an organisation there is unity, founder has the leading and dominant role, there are no proper procedures, lack of planning and politics plays a major role. In such a phase, need to have HRD is not recognised by the founder, there are inadequate management professionals, unexpected changes, problems related to succession and HRD

might need to promote itself aggressively is the strategic implication of HRD at this stage.

When an organization is in growth stage there are various cultural modifications, less unity, management at middle level is emerged, diversification, acceptance of people for change or new thinking is challenge, and there are differences in line and staff employees giving rise to conflicts. In this phase strategic implication of HRD is to initiate various activities such as induction programme for new recruits, career development plans, development of management, formulating and developing teams with high performance, participating in change management, sustaining and reinforcing organizations beliefs and cultural values.

When in maturity stage the organizations beliefs and values are institutionalized, there are development changes, disinterest may also sometimes prevail. In this phase the HRD function is already recognized and well established. Sustaining and bringing innovative approach in all the HRD activities should be the strategy.During the decline stage, many crucial decisions have to be taken; environment is sometimes aggressive where organizational culture becomes the defense mechanism. In this phase restoring confidence amongst the employees, reassuring and organizing activities to overcome major issues should be the strategy.



CHECK YOUR PROGRESS

Q4. What is role of HRD department in formulation of policy to attain integration?

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11.4 ORGANISING THE HRD SYSTEM

HRD activity can be cost effective, if there is specific type of organisational structure where formal intended relationship amongst sub-

systems and roles are defined in an organisation. Formalised structure is sometimes considered rigid and also blocks creativity of internal talent.On the contrary, formalised structure brings clarity as individual power, authority and limits of decisionare defined role wise; therefore all human efforts in an organisation are channelized on the accuratepath.Organising function is a procedure of building a positive work environment where teams can work effectively and efficiently by a manager. This is done by eliminating conflicts among employees over responsibilities and work, thus bringing order and harmony out of confusion. It is implied that the job roles should be designed or redesigned in such a way that human factor is recognised and employees are motivated.

11.4.1 Forms of HRD Organisation

In an organisation, HRD function can be organised in four diverse ways on the basis of the size, nature, structure, activities, and types etc. of the organization. The following are the four methods of performing HRD function through:

i) the existing Personnel Department;
ii) a separatedepartment;
iii) a committee; and
iv) Chief Executive Officer.

If within an organisation, HRD functions are being performed by the existing personnel department there is certainly not a necessity to form a separate HRD department. But it is advised to distinct employees' performing activities of HRD from the employees who are carrying out activities of administrative personnel to bring role clarity.This can be done by giving them HRD designation. However, many times it might perhaps be noticed that even though the prevailing personnel department have the directive for executing functions of HRD; it lacks the essential competency, trustworthiness and inspiration. In these circumstances one must remember that competency can be developed and motivation can be acquired but trustworthiness cannot be acquired.In such a situation, it might turn

out to be vital for an organisation to create a separate HRD department where size must be given special consideration.Low profile and flat structure with small size department is considered worthwhile. All associates of the department can be given designation of HRD managers,however according to the tasks assigned and responsibilities set they may possibly be given different salary scales.This is essential for protecting the, HRD climate and keeping it free from envy.To streamline hassle-free reporting and action, the HRD department needto have direct structural linkage with the chief executive. This will also expedite HRD function in times of change leadership. The HRD department mustsimilarly have robust connectionsamongst its subordinated systems as well asall other sections in the organisation.

The activity of HRD may perhaps be allotted to a committee or to the chief executive officer in a medium or small size organisation.In the former situation where the HRD function is allotted to a committee or task force, the trustworthiness of the associates, who are usually line managers having added responsibility of HRD. It's essential for the efficiency of the team, that eachassociate of the team must ensure optimistic approach towards the activity of HRD and must try to increase HRD skills adequately. The organisations in which committee culture is prevalent and the associate members are able contribute enough time for HRD task; committee or a task force method of organisation for HRD is expected to be effective.

In organisations where Chief Executive Officer (CEO) is handed overresponsibility to carry out the activities of HRD, there are generally two threatsinvolved. First, the HRD activities might be observed through substantial cynicism by the juniors in organisation. Second, other tasks of CEO's might give him only minute spell for activities of HRD. For evading these risks appoint someone must be appointed under CEO who can efficiently handle HRD activities.

Simultaneously, he must prepare a checklist of HRDactivities so that a track can be maintained of HRD duties.



CHECK YOUR PROGRESS

Q 5. What are the four methods of performing HRD function?

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Designing a New Human Resource Development System

Designing a new human resourcedevelopment system is a very crucial process and while designing must give deliberations to the following:

1. The foremost purpose of the systemmust be the organisations overall development. The emphasis of the system must be to improve analytical and problem-solving proficiencies and on building a more exposed organisation so that employees' commitment obtained.
2. The prevailing culture and the several circumstantial factors such as size, technology adopted, type of work, skill level of employees and their support to HRD and accessibility to external supportmust are taken into consideration. A small organisation may conglomerate numerous activities of HRD into one while a big size might need every single HRD function to be allocated independently. Technology and work type within an organisation is to be considered while deciding the various components of HRD system.

For example in a service based organisation customer needs are given top priority as a sub-system. HRD system needs to be gradually introduced in organisations with low level of people's skills.Amount of resources available for HRD and its design system in an organisation are determined by its own support. Accessibility to external support makes sure apt observing. Suppose the HRD

activity is planned like intrusion to transform prevailing beliefs of an organisation then it becomes essential for sufficient preparation cautiously, scrutinize carefully as well as do rigorous follow-up. To facilitate and restrain employees it will be useful todo force field analysis. This will also bring clarity regarding which force is in favour of this change and support in system designing. For example, if organisation culture favours neutrality in the new system it can be reinforced.

3. Appropriate links amongst the various sub-systems should be built while designing a human resource development system for these standing committees or ad-hoc committees' or task groups can be formed with different objectives and purposes.
4. There should be monitoring mechanism provision such as a periodical review in the human resource development system. For assessment and review purpose employees performing other functions may also be involved.
5. It is very important to introduce various sub-systems phase wise in planning human resource development system for its effectiveness.Every sub-system has to be designed cautiously through progression phases put together one above the other. This includes:
   (i) Geological phasing: Initially initiate sub-system only in some departments of an organisation and gradually in other departments.
   (ii) Vertical phasing: Initially sub-system can be launched level wise a single or a small number at a time in the organisation and gradually can be expanded upwards or downwards.
   (iii) Functional phasing: The sub system can be introduce on the basis of one function in an organisation and subsequently trailed by added functions.
   (iv) Complexity planning: The modest form of sub-system can be introduced first, gradually followed by the complex forms.

Responsibilities of HRD Department

1. Primary job of department of HRD is to clutch with the prevailing beliefs and philosophy of the topmost managing authority and if there is come contradiction between top management philosophy and philosophy of HRD it must persuade top management to modify its philosophy.
2. For devising the precise personnel policies all the relevant inputs shall be provided to the top management or the PersonnelDepartment by the HRD department.
3. The line managers must be persistently motivated for learning anddevelopment by the HRD department.
4. The HRD department must constantly design and conduct experiment with innovative approach to put together the right form of HRD environment and accomplish goals of organisation. It should be more of task oriented and its activitiesmust not be at thecost of organisational goals.
5. The HRD department must regularly take feedback, arrange workshops to review the organisational environment and also monitor effectively the functioning of its varioussub-systems.
6. The HRD department must strive to gain the confidence of employeeunions by eliminatingdisbelieve, fright and doubts amongst them for its actions and encourage them to achieve victory.

Whose Responsibility is HRD?

HRD personnel and line managers have the shared responsibility and accountability of HRD function in an organisation.HRD department can plan and arrange for tools for practice by line managers, while linemanagers have the accountability for using these mechanisms for subordinates' development. For the success of HRD, it is necessary that HRD department constantly receives demands from line managers and follow-up action must be taken by line managers. Accordingly, following are the responsibilities of the line managers:

i. Appeal the organisations HRD professional to plan and presentsystem which are participatory such as quality circles,

autonomous workgroups, appraisal and review system, stress management programmes etc.

ii. Implementation of numerous HRD mechanisms, identify and recognise the complications faced and backing required for attaining success.

iii. Analysing the consequences ofnumerous HRD mechanisms for creating anenvironment of support, openness and faith in the organisation with the support of HRD manager.

iv. Providing on-the job training constantly and developing problem solving skills amongst their subordinates.

v. Inviting external professionals to gain insight into their HRD experience.

vi. Providing adequate budget for HRD drives.



CHECK YOUR PROGRESS

Q6. Who has the responsibility of HRD function in an organisation?

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Traits of HRD Manager

Apart from proficient information of numerous sub-systems of HRD, the following are quality traits which an HRD manager must possess:

i. He must have trust in the capabilities of individuals to modify and progress during any life phase.

ii. He must have persistent longing to develop as well as learn and consider others learning also as important as his. His right attitude can bring success to the function he is performing.

iii. He must possess high motivation to help others and give priority to group goals instead of personal goals.

iv. He must be a proactive by initiating and implementing novel ideas and a good communicator which will help in selling his ideas to others within organisation.

v. He must be a good listener and have adequate patience to see the results of his efforts.

vi. He must possess leadership qualities, a non- bias attitude, show respect for knowledge of other functions, able to work in groups and teams.

vii. He must maintain harmonious relationswith top management and allother departments within the organisation.

viii. He must have understanding of humanbehaviour individually and in groups.



11.5 LET US SUM UP

- Planning system of HRD comprises of their beliefs that is its philosophy, its various subordinated systems, goals and objectives, policy and strategy for implementation.
- HRD philosophy symbolizes and represents all principles, morals, belief and opinionsthat are believed by the managing body of an organisation with regards to its employees' progress, growth and development.
- Selection and appointment process, Transfer or job Rotation, Recognition and rewards, Disciplinary, training and development, performance appraisal, counseling, feedback, career and succession planning, data storage of HRD etc. are various subordinated or sub-systems. Amongst these various sub-systems training is deliberated as the utmost vibrant and important sub-system.
- All objectives and goals within an organisation should support and must be interlinked.
- Policies are foundation for management to act by principles rather than convenience. If the policies are not framed all the decisions taken are on interim basis, resulting in inappropriate consequences.
- The action plan should specify every information and method regarding implementation of sub-system.
- An all-inclusive HRD strategy must be reinforced by HRD systems ranging from top level to bottom level employees. It is imperative to

continuously scan the environment to discover opportunities and be prepared to face threats.

- For success of any organisation it is very important that there should be integration of its corporate policy and HRD policy. When HRD policy becomes an integral part of corporate policy and is set within, it assists in accomplishing the organisational goals and objectives in more effective manner by providing path and rationality to HRD programmes
- An appropriate HRD strategy for the whole organization leads towards its growth. An all-inclusive HRD strategy must be reinforced by HRD systems ranging from top level to bottom level employees.
- HRD activity can be cost effective, if there is specific type of organisational structure where formal intended relationship amongst sub-systems and roles are defined in an organisation.



11.6 FURTHER READING

1. Gupta Santosh (2008); *Human Resource Development: Concept and Practices*, Second Edition, 2008.
2. Rao,T.V. (2005), *Future of HRD*; Macmillan India.
3. Jerry Gilley, Steven Eggland, Ann Maycunich Gilley(2002);Principles of Human Resource Development; ; Basic Books.
4. John P. Wilson (2005); *Human Resource Development: Learning & Training for Individuals & Organizations;* Kogan Page Publishers.
5. John Renesch, Sarita Chawla(2006); *Learning Organizations: Developing Cultures for Tomorrow's Workplace*; CRC Press.

11.7 ANSWERS TO CHECK YOUR PROGRESS

Ans to Q.1: HRD philosophy symbolizes and represents all principles, morals, belief and opinionsthat are believed by the managing body of an organisation with regards to its employees' progress, growth and development.

Ans to Q.2: The objectives should be attainable and measurable. They must be defined in such ways that they become 'feasible' and 'verifiable' or 'operational'.

Ans to Q.3: Policies are general statements, which gives direction to the thinking and action in the process of decision-making.

Ans to Q.4: HRD department has a dual role in formulation of policy to attain this integration. First, while formulating corporate policy it needs to be involved and secondly, while formulating own policy it has to consider corporate policy and maintain consistency between them. These dual roles have to be played concurrently in a parallel procedure.

Ans to Q.5: The following are the four methods of performing HRD function through: the existing Personnel Department; a separate department; a committee Chief Executive Officer.

Ans to Q.6: HRD personnel and line managers have the shared responsibility and accountability of HRD function in an organisation.



11.8 MODEL QUESTIONS

Q1. Explain the beliefs essential for success of any HRD Programme.

Q2. Write a short note on: HRD sub-systems.

Q3. Explain HRD objectives with suitable example.

Q4. Explain in detail various areas of considerations while formulating HRD policies.

Q5. Explain the various human resource development strategies that are aligned with an organisations life cycle stages.

Q6. Describe the various methods of performing HRD function.

Q7. Explain the various considerations while designing human resource development System.

Q8. Explain the responsibilities of HRD department.

Q9. Explain the responsibilities of the line managers.

Q10. Explain the quality traits of HRD manager.

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UNIT- 12: HUMAN RESOURCE PRACTICES

UNIT STRUCTURE

12.1 Learning Objectives
12.2 Introduction
12.3 Need for manpower planning
12.4 Importance of manpower planning
12.5 Factors affecting manpower planning
12.6 Steps in manpower planning
12.7 Advantages of manpower planning
12.8 Obstacles to manpower planning
12.9 Successful manpower planning
12.10 Let Us sum Up
12.11 Further Reading
12.12 Answers to Check Your Progress
12.13 Model Questions

12.1 LEARNING OBJECTIVES

After going through this unit, you will be able to:

- discuss the need and importance of manpower planning
- describe the factors affecting manpower planning
- outline the steps involved in manpower planning
- discuss the problems of manpower planning
- learn the elements of successful manpower planning

12.2 INTRODUCTION

In the previous unit, we learnt the meaning and objectives of human resource planning. We also understood the relationship between human resource management and human resource development and how both human resource management and human resource development work in

tandem to increase organizational efficacy. It is, however, important for us to understand how the human resource planning process works and how organizations' draw manpower plans and determine their manpower requirements.

In this unit, we will be specifically focusing on the factors that affect the manpower planning or human resource planning of an organization. We will then discuss the steps involved in human resource planning or manpower planning. We shall also discuss the advantages of manpower planning and the obstacles involved in the process.

12.3 NEED FOR MANPOWER PLANNING

As discussed in the previous unit, human resource planning or manpower planning, is a forward looking exercise with the objective of ensuring that right people will be in the right place at the right time. A human resource plan, when systematically done, enables a manager to predict his workforce requirements, helps him identify the strengths and weaknesses of his current workforce and also provides an indication of the lead time that is available to acquire and train the additional manpower required or, in other cases, to reduce and right size the current workforce.

The need for manpower planning has increased in the recent years and this can be attributed to the following factors:

a) **Technological changes**: Rapid changes in technology have created a situation where employees with requisite skills are difficult to be found. In order to acquire such employees, organizations need to plan in advance.

b) **Growth of the organization**: The human resource plan of an organization depends on the pace and direction of growth of an organization. Slower growth of the organization may lead to reduced manpower requirements whereas rapid growth may lead to increased manpower requirements. In either case, if the organization has not planned its manpower in accordance with growth expectations, it is likely to encounter difficulties and incur costs.

c) Labour costs: Labour costs or staff costs are a major source of expenses for an organization. Better human resource planning can help in anticipating the staff costs and a strategic approach can be adopted to reduce them.

d) Attrition: People leave organizations by virtue of resignations, retirements, transfers, promotion and even due to death. Thus, gaps in staffing inevitably emerge which requires to be filled. Human resource planning can help fill such needs.

e) Lead time: By anticipating the need for human resource, both quantitative as well as qualitative needs, the human resource plan would be able to provide adequate lead time for associated activities such as recruitment, selection, and training activities.

12.4 IMPORTANCE OF MANPOWER PLANNING

Manpower planning is a highly important and useful activity and its importance can be judged from the following points:

a) With a proper human resource planning process, the organization can have a reservoir of talent at any point of time.

b) As human resource planning is a future oriented activity, it helps in preparing the current human resources of an organization for future roles and responsibilities through training and development activities.

c) Human resource planning is at the core of important business decisions and therefore it helps the organizations in expanding its scale of operations by projecting future HR needs. Conversely, it also helps large businesses to right size by projecting the excess supply of human resources.

d) Planning helps in preparing manpower budgets for each department, unit or division and this in turn helps controlling costs by avoiding HR shortfalls or excesses.

e) Human resource planning forms the cornerstone of succession planning in organizations. 'Star performers' of the organization can be identified,

trained and developed to assume future leadership positions in the organization as projected by human resource planning.

12.5 FACTORS AFFECTING MANPOWER PLANNING

The human resource planning process is affected by several factors. As can be seen from Figure 2.1, HRP is dependent on the strategy of the organization, environmental uncertainties, the conditions of labour market, and the nature of the forecasting information, time horizons and outsourcing decisions of the organization. These factors are explained in detail below:

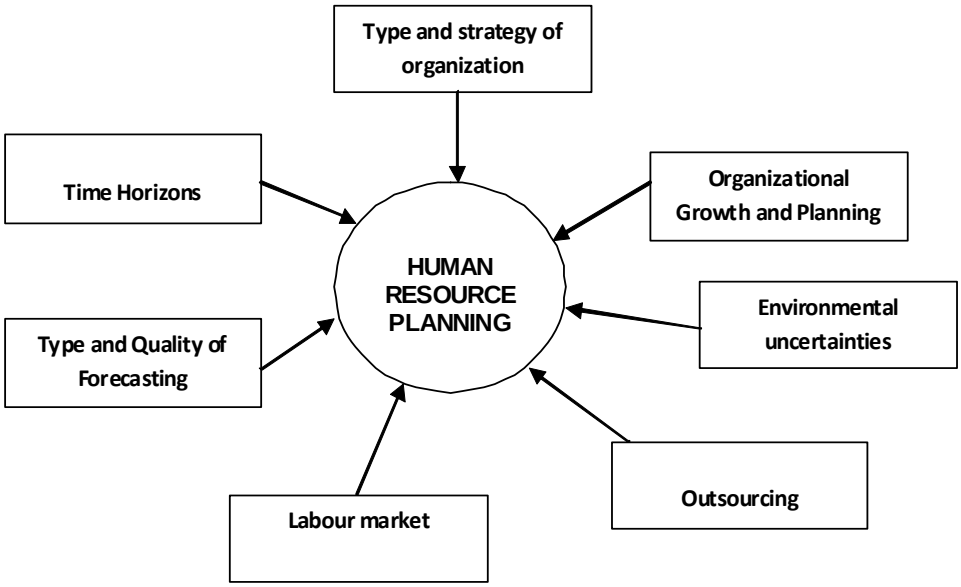


Figure 2.1. Factors affecting Human Resource Planning process (source: Human Resource Management: Text and Cases by K. Aswathappa)

i. **Type and Strategy of the organization:** The type and strategy of the organization affects the HR planning process to a great extent. The type of organization determines the various processes and activities which in turn determine the number and kind of people required to carry on those processes. Also, the strategic plan of the organization determines the human resource needs and requirements. For example, a strategy of growth and diversification means that additional manpower must be hired. On the other hand, a strategy to downsize a business enterprise or a strategy to merge with another organization r acquire

another organization might need significant structural changes and a reduction of the number of people.

ii. **Organizational Growth Cycles and Planning:** The growth stage of the organization also determines the human resource needs. Small organizations, in a very nascent stage, may not require HR planning at all. However, as organizations grow and expand HRP becomes essential in order to determine the number and kind of people required. As the organization matures HR planning becomes a highly formalized process within the organization. During the decline stage focus of manpower panning shifts from the acquisition mode to downsizing mode.

iii. **Environmental uncertainties:** Human resource management is affcetd by a wide range of environmental factors such as political, legal, and economic. Human resource planners need to work through their plans by keeping in mind such uncertainties.

iv. **Outsourcing:** Organizations sometimes outsource certain functions to other parties or organizations. The extent of outsourcing also affects the human resource plan of the organization.

v. **Labour Market:** Labour market comprises of people with skills, abilities, and competencies. The nature of the labour market – its quantity and quality – affects human resource planning. Organizations need to align their human resource plans keeping in consideration the size, age, educational composition and skills of the workforce.

vi. **Type and Quality of Forecasting Information:** The information used to forecast personnel requirements comes from a multiple number of sources. The quality of the data and its accuracy plays a major role in making accurate forecasts.

vii. **Time Horizons:** Time is another major factor affecting human resource planning. Manpower plans can be made for either short duration, i.e., less than a year; or for a long duration, i.e., plans which spread over three to five years. Greater the uncertainty in the environment, shorter the HR plan should be. On the other hand, organizations with a more or less stable environment may go for long term HR planning.



CHECK YOUR PROGRESS

Q1. Fill in the blank with the appropriate word:

a. An organization may go for a long term HR plan with a relatively _____ environment. (stable / dynamic)

b. The _____ plan of the organization determines the human resource needs and requirements. (marketing / strategic)

c. People leaving organizations by virtue of retirements, voluntary resignation, transfers, promotions and even death is called as _____ (attrition / human resource plan)

d. During decline stage, the focus of manpower planning shifts to _____ (acquisition / downsizing).

Q2. State true or false:

a. Human resource planning is entirely dependent on factors external to the organization. (True / False)

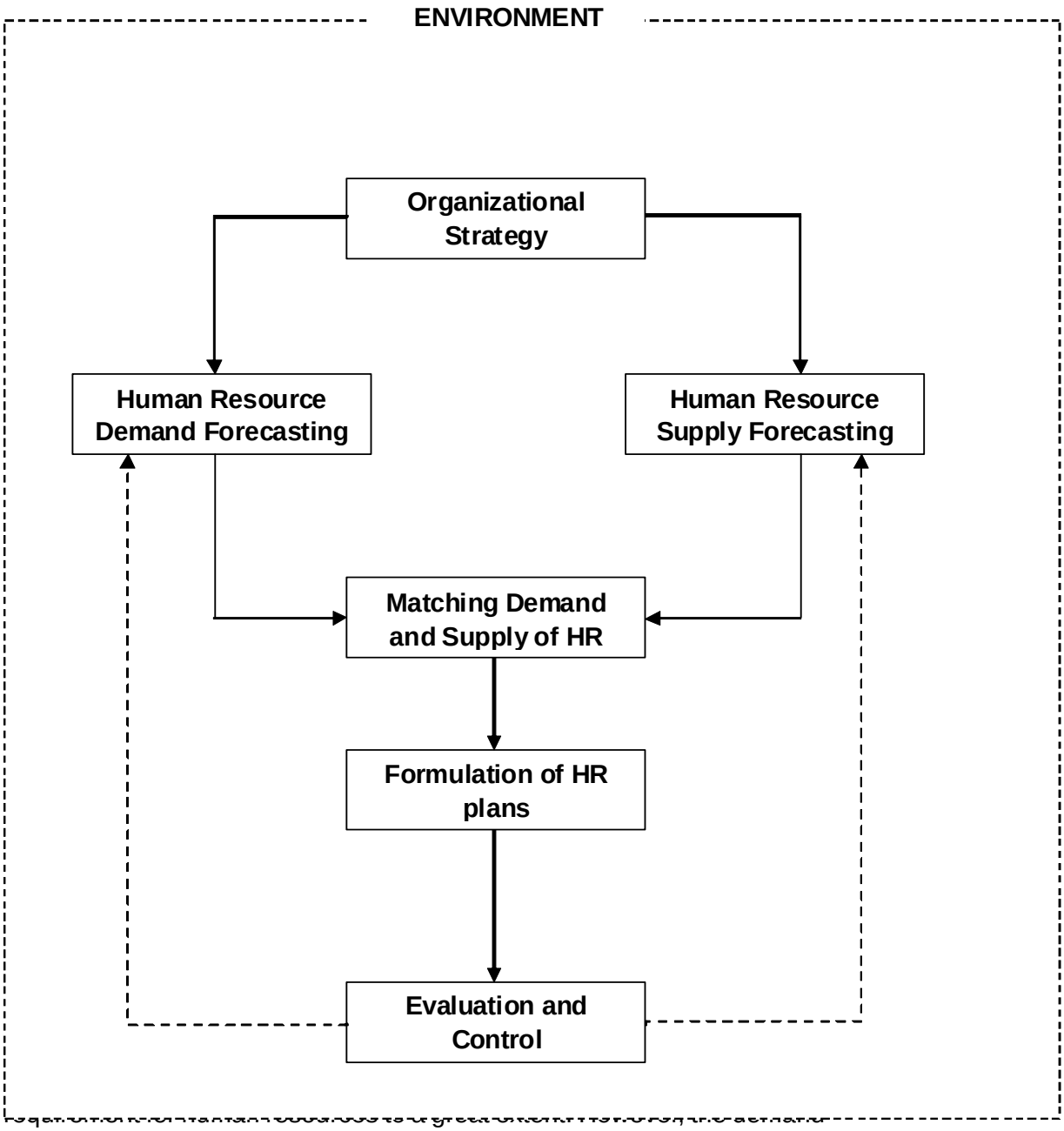
b. Human resource planning is a one time activity in organizations. (True / False)

c. Human resource planning is a future oriented activity (True / False)

d. The quality and accuracy of forecasting data is not important in human resource planning. (True / False)

11.6 STEPS IN MANPOWER PLANNING

Manpower planning or human resource planning is an elaborate activity undertaken by organizations. The human resource planning process essentially consists of five major steps. It is important to understand that human resource planning is a dynamic activity. Also, it is not a one-time activity but carried out on a continuous basis to determine human resource demand and availability.



supply scenario may also have an effect on the strategy of the organization. For example, and organization may want to expand and diversify for which it requires people with specific skill sets. However, if people with such skills are available neither in the organization nor in the external labour market then in such a case, the diversification plan needs to be changed or may be delayed. While discussing the steps in human resource planning, we should also not forget that the organization operates in the larger environmental

context, and any change in the environment might have a significant impact on the organizational plans, or on the demand for manpower, or on the labour market. This makes human resource planning a very dynamic activity. The following section describes the steps involved in the human resource planning process:

1. **Forecasting demand for workforce:** Estimating the demand for human resource is the starting point of human resource planning process. This future estimation of manpower requirements is based on the organization's strategic plan and its various components such as finance, marketing, and production plans (for manufacturing organizations) or service delivery plans (for organizations in the service sector). Analysis of the organizational plans helps in forecasting the demand for human resources as it provides clear indications as to the quantum and nature of future work activity.

While forecasting the demand for manpower and projecting the same, the following components of the strategic plan may be considered:

a) Introduction of new products/ services
b) Output expectations in the future
c) Expansion or contraction plans and its extent
d) Changes in technology
e) Anticipated organizational changes
f) Financial health of the organization

Although, no manager would be in a position to make accurate predictions; undertaking this exercise however, yields tangible results. Once the manager has a certain idea regarding the quantity and quality of manpower required, assessments and reassessments can be made easily in the face of any unforeseen change or crisis. There are several different methods of estimating the demand for human resources, which we will discuss in the next unit.

2. **Supply Forecasting:** The second step in the human resource planning process is to analyze the supply of available human resources. The demand for manpower, as forecasted in the first step, can be met from

two sources – first, the enterprise's existing human resources; and second, the external labour market. Most HR experts agree that search for human resources should begin within the organization. This calls for auditing the current human resources of the organization in terms of number as well as skills and competencies. HR audit is an analysis of the present employees which summarize each employees skills and abilities. Inventories generated from the HR audits permits the organization to offer their employees new avenues and openings.

After working out on internal availability, managers can survey the external market for talent. Recruiting new employees from the external labour market is costly and uncertain and therefore, needs careful planning. The external labour market can be further dub-divided in to the local labour market and the national labour market. Local labour market offers itself as a good source of candidates for manual and clerical workers. On the other hand, HR planners can consider the external labour market for recruiting prospective employees for managerial positions and executive positions.

3. **Matching HR requirement with availability:** In the next step, the existing number of personnel and their skills and abilities (supply forecasting) are compared with the forecasted need for manpower (demand forecasting) in order to determine the gap in demand and supply of manpower both in quantitative as well as in qualitative terms. The reconciliation of demand and supply forecasts form the basis for the preparation of human resource plan.
4. **Formulating HR Plans:** Human resource requirements identified by comparing the demand and supply of human resources needs to be converted into concrete plans. These HR plans helps organizations with all other HR activities such as recruitment, training, and even redundancy of personnel by formulating specific policies, programmes, and strategies. Reconciliation of demand and supply of manpower may lead to two outcomes: either a surplus of manpower or a shortage of manpower. Figure 3 shows the different HR strategies or plans to be

followed either in the case of surplus or shortage. It is to be noted that these HR plans are prepared considering the budget, time limits, targets, and established standards. Following are some of the HR plans that can be made:

a. *Recruitment plan:* Recruitment plan indicates the number and kind of people required, the time at which they are needed, and where they can be found. Recruitment plan may be deployed in the organization to cope with the shortage of human resources.

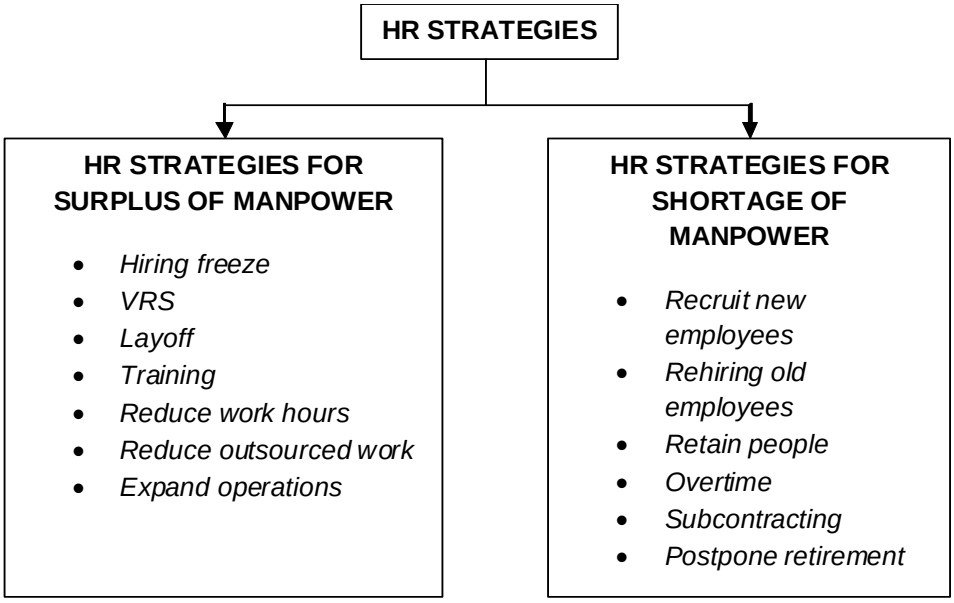


Figure 2.3 HR strategies for shortage or surplus of manpower

b. *Redeployment plan:* Redeployment plan involves transfer of existing employees or retraining existing employees for new jobs. A redeployment plan works best when the organization experiences an oversupply of human resources.

c. *Redundancy plans:* A redundancy plan indicates the employees who are redundant and includes plans for layoffs, retrenchment, or golden handshake. In case of surplus of manpower, redundancy plans may be used to layoff or retrench employees or to offer them voluntary retirement option.

d. Training plan: This indicates the number of trainees, needs of the trainees, course development and implementation of the training programme. In the event of a surplus, employees can be trained to do other work and can be redeployed to different jobs or locations.

e. Retention plan: A retention plan indicates the reasons for employee turnover and incorporates strategies to lower turnover rates and improve retention of employees. This plan assumes great importance when the organization is short-staffed.

5. **Evaluation and Control:** Control and evaluation represents the fifth and the final step in the HR planning process. The HR plans, which are established in the fourth step, are supported by budgets, standards and targets. It also establishes responsibilities on various personnel in the organization. The actual performance of the implementation of the HR plan can be measured and compared with the standards and the budgets. This will help the HR planners in evaluating the effectiveness of the HR plans.

LET US KNOW



HRP to SHRP

Human Resource Planning (HRP) is a systematic approach which ensures that right people will be at the right place at the right time. It is a strategy to utilize, preserve, acquire, and maintain human resources in the organization. The overarching purpose of HRP is to move from the present human resource position to the desired future human resource position. Another term that has slowly evolved and gained importance is Strategic Human Resource Planning (SHRP). Strategic HRP may be defined as integrating human resource management systems and strategies to achieve the overall mission, strategies, and success of the firm while meeting the needs of employees and other stakeholders. It is based on the close working relationships between the HR management and the strategic plan of the organization.

12.7 ADVANTAGES OF MANPOWER PLANNING

In the previous section we discussed about the steps involved in the human resource planning process. In this section, we will look at the advantages of human resource planning. Following are some of the advantages of human resource planning:

- **Anticipating future requirement of manpower:** Human resource planning is the basis for determining the requirement of manpower in the future. Human resource planning, by estimating the demand and supply of human resources in the organization, helps in coping with future human resource requirements.
- **Recruitment and selection:** Recruitment and selection is a major activity through which organizations acquire human resources. At the same time, recruitment and selection is a costly affair and must be carried on only if extremely necessary. Human resource planning helps in determining whether recruitment and selection is necessary or not.
- **Performance appraisal:** Performance appraisal provides feedback to the employees regarding their job performance. This helps the employees in figuring out their career paths and promotional opportunities in the organization. Human resource planning, apart from identifying the demand and supply of human resources, also helps in chalking out the career path for jobs. Data from human resource planning and performance appraisals may be combined to chart career paths for employees.
- **Promotion opportunity:** As mentioned in the previous point, human resource planning by identifying the vacancies in the organization helps in the implementation of the promotional policies.
- **Training:** Successful human resource planning helps in building and developing the human resources of the organization for occupying future roles. HRP by identifying future vacancies helps in developing the present human resources through training and developing.

12.8 OBSTACLES TO MANPOWER PLANNING

In spite of the advantages and benefits, there exist certain obstacles in the path of manpower planning. The following barriers may render any human resource plan in an organization ineffective:

- **Accuracy of forecasts:** Predicting human resource needs sometime in the future, though not impossible, is certainly risky and never cent percent accurate. It is difficult to track the current and future manpower needs and transform the same into concrete HR plans. As we discussed towards the end of the last section on human resource planning process, HRP is a dynamic activity and various factors such as, changes in laws or technology or competition, turnover and absenteeism may render HR plans ineffective. Accuracy is also compromised when the quality of the forecasting information is not good
- **Top management support:** Human resource plans are supposed to be aligned with the strategic plan of the organization. However, most often than not, strategic plans are made not on the basis of HR forecasting but they are made on the basis of financial forecasts. Also, support of top management wavers when it comes to committing funds for development of human resources in times to come.
- **Involvement of line managers:** Human resource planning is not solely an activity restricted to the HR department. It needs involvement and cooperation from other line managers and departmental managers. Non-involvement of operating managers renders HRP ineffective.
- **Quality versus quantity:** As we have seen, human resource planning focuses on both the number and kind of people required in the organization. As the qualitative aspect of the planning part is abstract, managers focus more in the quantitative aspect, thereby ignoring the qualitative side of the coin.

12.9 SUCCESSFUL MANPOWER PLANNING

Since the barriers to human resource planning can render the process ineffective, certain factors must be kept in kind in order to make human resource planning a success in organizations. The following guidelines may be followed in order to make manpower planning/ HRP successful and effective in organizations:

- Human resource planning must be recognized as an integral part of strategic planning. The human resource plan of the organization must be therefore, aligned with the strategic plan.
- In order to make the human resource planning more effective top management must actively support the process. HR managers must gain top management support and commitment in order to get active support from line managers.
- One of the important activities of human resource planning is estimating the supply of human resources. And to make the process faster and effective the organization must maintain complete and up-to-date personnel records which can be readily accessed.
- In order to make the HR planning effective HR managers must make a consolidated demand forecast by combining all the HR forecasts from the different units or the departments.
- In order to enhance coordination and cooperation, a centralized human resource planning team can be created which can coordinate with the different departments.
- Apart from maintenance of personnel records, HR planners should also constantly monitor the external environment in order to assess the impact of external forces such as technology, market competition, etc., while developing the human resource plan.
- Human resource information system (HRIS) can be used to manage employee skill inventories and must be used as a decision support system by organizations.



CHECK YOUR PROGRESS

Q3. Fill in the blank with the appropriate word:

a. _____ summarize each employee's skills and abilities (HR audits / HR forecasting)

b. _____ is a computerized system that helps on the processing of HRM information. (HR audit / HRIS)

c. Redeployment plans focus on _____ of existing employees to other branches or locations. (Transfer / Selection)

d. _____ plan indicates reasons for employee turnover and how to retain employees' in the organization. (Redundancy / Retention)

Q4. State whether true or false:

a. A successful manpower planning involves top management support (True / False)

b. Forecasting the demand for human resources is the starting point of human resource planning activity (True / False)

c. Forecasting the demand and supply of human resources in an organization is a quantitative activity (True / False)

d. HR planners must constantly monitor the external environment (True / False)



12.10 LET US SUM UP

- According to Coleman, human resource planning is the process of determining manpower requirements and the means for meeting those requirements in order to carry out the integrated plan of the organization.
- Factors such as technological changes, organizational growth cycles, labour costs, and attrition, necessitate human resource planning for an organization.
- Manpower planning or human resource planning is a highly important and useful activity as it is a future oriented activity and provides the organization with a reservoir of talent.

- Several factors such as type and strategy of organization, organizational growth and planning, environmental uncertainties, outsourcing, labour market, nature of forecasting data, and time horizons effect manpower planning.
- Human resource planning consists of five basic steps: forecasting the demand for workforce, forecasting the supply of workforce, matching demand with supply, formulating HR plans, and evaluation and control.
- Human resource planning cannot be successful without the support of the top management.
- Success of human resource planning to a great extent depends on the quality of the forecasts being made.
- HR planning may fail if line managers do not contribute and cooperate in the process.
- Human resource planning must be recognized as an integral part of strategic planning
- HRIS can significantly help in maintaining the HR database of organizations and acting as a decision support system.



12.11 FURTHER READING

1. K. Aswathappa, Human Resource Management: Text and Cases, , Tata McGraw Hill Education Pvt. Ltd., New Delhi
2. V S P Rao, Human Resource Management: Text and Cases, , Excel Books

12.12 ANSWERS TO CHECK YOUR PROGRESS

Ans to Q1:

a) Stable
b) Strategic
c) Attrition
d) Downsizing

Ans to Q2:

a) False

b) False

c) True

d) False

Ans to Q3:

a) HR audits

b) HRIS

c) Transfer

d) Retention

Ans to Q4:

a) True

b) True

c) False

d) True



12.13 MODEL QUESTIONS

1. What do you understand by human resource planning? Why is human resource planning important for an organization?
2. Define HRP. Explain the process of HRP with the help of a diagram.
3. What are the difficulties in human resource planning? What steps can be taken to make human resource planning process more effective?
4. What are the different factors that affect human resource planning of an organization?
5. “Human resource planning has both quantitative as well as qualitative dimensions to it”. Do you agree with the statement? Why or why not?
6. What alternatives are available to organizations when shortage and surplus of labour is anticipated? Explain.

7. Write short notes on:
    a. Importance of human resource planning
    b. Factors affecting human resource planning
    c. Obstacles to human resource planning
8. "HRP is a process by which an organization can anticipate its future manpower requirements". Justify the statement by taking into account the HRP process.
9. "Human resource planning, through not accurate, is an important organizational activity". Elaborate.
10. What are some of the factors that may render a human resource planning activity ineffective? As a HR manager what steps will you take to make HRP successful in an organization?

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UNIT 13: INDUSTRIAL RELATIONS

UNIT STRUCTURE

13.1 Learning Objectives

13.2 Introduction

13.3 Meaning and definition of Industrial Relations (IR)

13.4 Evolution of Industrial Relations (IR)

13.5 Approaches to Industrial Relations (IR)

13.6 Trade unionism

13.7 Bipartite and Tripartite bodies

13.8 Industrial Disputes

- 13.8.1 Causes of Industrial Disputes
- 13.8.2 Nature of Industrial Dispute
- 13.8.3 Classification of Industrial Dispute

13.9 Let us sum up

13.10 Further Reading

13.11 Answers to check your progress

13.12 Model Questions

13.1 LEARNING OBJECTIVES

After going through this unit, you will be able to:

- define the meaning of the term Industrial Relations
- phase out the evolution of the theory and practice of Industrial Relations
- learn various popular approaches to the practice of Industrial Relations
- discuss the meaning, role and need for Trade Unionism
- distinguish between Bipartite and Tripartite Bodies with regard to Industrial Disputes.

13.2 INTRODUCTION

This is the first unit of the course Industrial Relations and labour Legislations. In this unit, we are going to discuss the meaning of Industrial Relations the evolution of the theory and practice of Industrial Relations.

Basically, IR sprouts out of employment relation. It is a dynamic and developing socio-economic process. Though Independent India got an opportunity to restructure the industrial relations system the colonial model of IR remained in practice for sometimes due to various reasons like the social, political and economic implications of partition, social tension, continuing industrial unrest, communist insurgency, conflict, and competition in the trade union movement. In the process of consultation and confrontation, gradually the structure of the Industrial Relations System (IRS) evolved.

Like other behavioural subjects, both the scenario of IR and factors affecting it are perceived differently by different behavioural practitioners and theorists. For example, while some perceive IR in terms of class conflict, others view it in terms of mutual co-operation, yet others understand it related to competing interests of various groups and so.

Owing to this widening purview of Industrial Relations as a subject matter of research and study, it becomes significant to understand the subject from its basic concepts in context to realistic industrial environment. This unit, therefore, attempts to throw light upon certain very preliminary concepts of Industrial Relations intending at creation of a stronger hold on the subject.

At the end of this unit we will get a fair idea about learn various popular approaches to the practice of Industrial Relations, role and need for Trade Unionism.

13.3 MEANING AND DEFINITION OF INDUSTRIAL RELATION (IR)

Armstrong has defined IR as “IR is concerned with the systems and procedures used by unions and employers to determine the reward for effort

and other conditions of employment, to protect the interests of the employed and their employers and to regulate the ways in which employers treat their employees."

According to Dale Yoder, "IR is a designation of a whole field of relationship that exists because of the necessary collaboration of men and women in the employment processes of Industry".

In the opinion of V. B. Singh "Industrial relations are an integral aspect of social relations arising out of employer-employee interaction in modern industries which are regulated by the State in varying degrees, in conjunction with organised social forces and influenced by the existing institutions. This involves a study of the State, the legal system, and the workers' and employers' organizations at the institutional level; and of the patterns of industrial organisation (including management), capital structure (including technology), compensation of the labour force, and a study of market forces all at the economic level".

Encyclopedia of Britannica defined IR more elaborately as "The concept of industrial relations has been extended to denote the relations of the state with employers, workers, and other organisations. The subject, therefore, includes individual relations and joint consultation between employers and workers at their places of work, collective relations between employers and trade unions; and the part played by the State in regulating these relations".

13.4 EVOLUTION OF INDUSTRIAL RELATION (IR)

IR is a dynamic subject in nature. The nature of IR can be seen as an outcome of complex set of transactions among the major players such as the employers, the employees, the trade union, and the state in a given socio-economic context. In other words, a change in the nature of IR has become sine quo non with change in the socio-economic context of a country.

Keeping this fact in view, IR in India has been discussed under the following two time phases:

1. Pre- Independence Era

2. Post-Independence Era

1. Pre-Independence Era:

The structure of the colonial economy, the labour policies of colonial government, the ideological composition of the political leadership, the dynamics of political struggle for independence, and so on shaped the colonial model of industrial relations in India during the pre-independence era. At that time, even union movement was considered an important part of the independence movement.

But what became evident was that the colonial dynamics of the union movement, the ambivalence of the native capital and the experience of the outside political leadership acted as a hindrance to the process of building up of industrial relations institutions. Moreover, factors like the ideology of Gandhian class harmony, late entry of leftists and the bourgeois character of congress also weakened the class approach to the Indian society and industrial conflict. Thus, till the Second World War, the attitude of the colonial government toward industrial relations was a passive regulator only. It was the economic emergence of the Second World War that altered the colonial government's attitude towards industrial relations.

State intervention began in the form of introduction of several war time measures like the Defense of India Rules (Rule 81- A), National Service (Technical Personnel) Ordinance, and the Essential Service (Maintenance) Ordinance. As such, the colonial government imposed extensive and pervasive controls on industrial relations by the closing years of its era. The joint consultative institutions were established primarily to arrive at uniform and agreeable labour policy.

Close to India's independence, several instances that served as threshold plank for IR during post Independence era could be evidenced. To mention a few were passing of Indian Trade Unions (Amendment) Act, 1947, Industrial Employment (Standing Orders) Act 1946, Bombay Industrial Relations Act, 1946, and Industrial Disputes Act, 1947 and split in AITUC and formation of INTUC.

2. Post-Independence era:

The colonial model of IR remained in practice for sometime even after independence due to various reasons like the social, political and economic implications of partition, social tension, continuing industrial unrest, communist insurgency, conflict, and competition in the trade union movement. However, gradually, owing to consultations and discussions, the structure of the Industrial Relations System (IRS) evolved.

State intervention in the IRS was a part of the interventionist approach to the management of industrial economy. Several considerations like unequal distribution of power in the labour market, neutrality of the state, incompatibility of free collective bargaining institution with economic planning etc. provided moral justification for retaining state intervention in the IRS. However state intervention does not mean suppression of trade unions and collective bargaining institution. In fact, state intervention and collective bargaining were considered as complementary to each other. Gradually, various tripartite and bipartite institutions were introduced to supplement the state intervention in the IRS.

The tripartite process was considered an important instrument of involving participation of pressure groups in the state managed system. Non-formal ways evolved intending to do away with the flaws of the formal system. But the political and economic forces in the mid 1960s aggravated industrial conflict and rendered non-formal system ineffective. In the process of reviewing the system, National Commission on Labour (NCL) was appointed in 1966.

Several committees were appointed to suggest measures for reforming the IRS – as a result of which tripartism was revived in the 1980s. Government passed the Trade unions and the Industrial Disputes (Amendment) Bill, 1988. But, it also proved yet another legislative disaster as it was severely criticised by the left parties.

Consequently, the tripartite deliberations held at the ILC in 1990 decided three measures to reform IR in India:

(i) To withdraw the Trade Union and the Industrial Disputes (Amendment) Bill, 1988.

(ii) To constitute a bipartite committee of employers and unions to formulate proposals for a comprehensive legislation.

(iii) To consider the possibility of formulating a bill on workers' participation in management, 1990. In the 33rd session of ILC, another bipartite committee was constituted to recommend changes in the TU and ID Acts. The government introduced a Bill on Workers, Participation in Management in Parliament in 1990.

In sum, it can be said that one of the primary features of the history of IR in India has been that it is dynamic in nature. Particularly since liberalization in 1991, IR in India has seen many new challenges like emergence of a new breed of employees (popularly termed as 'knowledge workers'), failure of trade union leadership, economic impact, and employers' insufficient response.



CHECK YOUR PROGRESS

Q 1: Define IR.

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.....

Q 2: What are the two time phases IR in India?

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13.5 APPROACHES TO INDUSTRIAL RELATION (IR)

The IR scenario and its influencers and/or determinants are perceived differently by different behavioural practitioners and theorists. For example, while some perceive IR in terms of class conflict, others view it in terms of mutual co-operation, and yet others understand it as related to competing interests of various groups.

Based on these perceptions, the behavioural theorists have developed some approaches to explain the IR dynamics.

The popular approaches to IR are:

1. Unitary Approach

2. Pluralistic Approach
3. Marxist Approach

Let us now discuss the approaches in the following ways:

1. Unitary Approach: The Unitary approach to IR is based on the assumption that every one- employee, employer or government- benefits when the emphasis is on a common interest. In other words, under this approach, the foundation of IR rests on mutual co-operation, team work, shared goal, and so on.The Unitary Approach views conflict at work place as a temporary aberration resulting from poor management or mismanagement of employees. Under other conditions, it projects employees usually accepting of and cooperating with management. Conflict in the form of strikes is disregarded as it is considered destructive.

2. Pluralistic Approach: Pluralist Approach is, however, quite a departure from the Unitary Approach of IR. This approach was evolved and practiced in mid 1960s and early 1970s in England. A. Fox, one of the major contributors to this Approach, perceived that organisation is a coalition of competing interest groups mediated by the management. At times, it may so happen that management in its mediating role may pay insufficient attention to the needs and claims of employees.

Employees, under such a situation, may unite in the form of trade unions to protect their needs and claims. This encouraged trade unions to become legitimate representatives of employees in anorganisation. This has resulted in the system of IR beingruled by concessions and compromises between management and trade unions.

Conflict between employees and management has been considered as not only inevitable but also necessary. Normally, employees are not found to be that forceful in the negotiation process as is the management. Therefore, there exists a tendency among employees to join trade unions so as to negotiate with management on equal terms to protect their interests.

However, the basic assumption of this approach that, employees and management do not arrive at an acceptable agreement, do not

hold good in a free society as inspite of a society being free, power distribution may not necessarily be equal among the competing forces.

3. **Marxist Approach:** Like Pluralists, Marxists also view conflict between labour and management as inevitable. But unlike pluralists, theyregard conflict as a product of the capitalist society based on classes. According to Marxists conflict arises because of division within the society in terms of the 'haves' i.e., capitalists and the 'have not's i.e., labour. The main objective of capitalists has been to improve productivity by paying minimum wages to labour. On the other hand, the labour views this as their exploitation by the capitalists.

   The Marxists do not welcome state intervention as, in their view, it usually supports management's interest. They debate that the pluralistic approach is supportive of capitalism and the unitary approach is looked upon as an anathema. Hence, the labour-capital conflict, according to this approach, cannot be solved by bargaining, participation and cooperation.

   As such, the role of trade union comes in and is seen as a reaction to exploitation by capitalists along with being a weapon to bring a revolutionary social change by changing capitalistic system. So as to serve this purpose, coercive powers such as strikes, gherao, etc. are exercised by the labour against capitalists.

Apart from the above three, some other approaches to IR include the following:

1. **The Industrial Sociology Approach:** G. Margerison, an industrial sociologist, opines that the core of industrial relations is the nature and development of the conflict itself. According to him, conflict is the basic concept that should form the basis of the study of industrial relations. He critised the prevalent approach to industrial relations stating that it was more concerned with studying the resolution of industrial conflict than its generation and focused upon the consequences of industrial disputes than their causes. According to this school of thought, there are two major conceptual levels of industrial

relations. The first being the intra-plant level where situational factors, such as job content, work task and technology, and interaction factors produce three types of conflict – distributive, structural, and human relations. These types of conflicts are resolved through collective bargaining, structural analysis of the socio-technical systems and man-management analysis respectively. The second level is outside the firm and is primarily concerned with the conflicts not resolved at the intra-organisational level. This approach rejects the special emphasis given to rule determination by the "Systems and Oxford models". Rather, it suggests a method of inquiry, which attempts to develop sociological models of conflicts.

2. **The Oxford Approach:** As per this approach, the industrial relations system is a study of institutions of job regulations and the stress is on the substantive and procedural rules as in Dunlop's model. Flanders, the exponent of this approach, considers every business enterprise as a social system of production and distribution having a structured pattern of Conceptual Framework of relationships. The "institution of job regulation" is categorised by him as internal and Employment Relations as external. While the former is an internal part of the industrial relations system such as code of work rules, wage structure, internal procedure of joint consultation, and grievance procedure; trade unions are considered as an external organization.Flanders excludes collective agreements from the sphere of internal regulation. According to him, collective bargaining is central to the industrial relations system.

The "Oxford Approach" can be expressed in the form of an equation:

r = f (b) or r = f (c)

where,

r = the rules governing industrial relations

b = collective bargaining

c = conflict resolved through collective bargaining.

The "Oxford Approach" can be criticised on the ground that it is too narrow to provide a comprehensive framework for analysing industrial

relations problems as it over emphasises the significance of the political process of collective bargaining and gives insufficient weight to the role of the deeper influences in the determination of rules. While institutional and power factors are viewed as of paramount importance, variables such as technology, market, status of the parties, and ideology, are not given any prominence at all. This narrowness of approach constitutes a severe limitation.

3. **The Action Theory Approach:** The action theory approach takes the collective regulation of industrial labour as its focal point just like the systems model. The actors operate within a framework, which can at best be described as a coalition relationship. The actors, it is claimed, agree in principle to cooperate in the resolution of the conflict, their cooperation taking the form of bargaining. Thus, this theory analyses industrial relations focusing primarily on bargaining as a mechanism for the resolution of conflicts. While the systems model of industrial relations constitutes a more or lesscomprehensive approach, it is hardly possible to speak of one uniform action theory concept.

4. **The Human Relations Approach:** As stated by Keith Davies, human relations are "the integration of people into a work situation that motivates them to work together productively, cooperatively and with economic, psychological and social satisfactions." He perceives the goals of human relations are: (a) to get people to produce, (b) to cooperate through mutuality of interest, and (c) to gain satisfaction from their relationships. The human relations school founded by Elton Mayo and later propagated by Roethlisberger, Whitehead, W.F. Whyte, and Homans offers a coherent view of the nature of industrial conflict and harmony. It highlights certain policies and techniques to improve employee morale, efficiency and job satisfaction along with encouraging small work groups to exercise considerable control over the environment , thereby helping to remove a major irritant in labour-management relations. However, some of its viewswere criticised by Marxists, Pluralists, and others on the ground that it encouraged

dependency and discouraged individual development, and ignored the importance of technology and culture in industry. Given these criticisms, however, it must be admitted that the human relations school has thrown a lot of light on certain aspects such as communication, management development, acceptance of workplace as a social system, group dynamics, and participation in management.

5. **The Gandhian Approach:** Gandhiji can be called one of the greatest labour leaders of modern India. His approach to labour problems was completely new and refreshingly human. He held definite views regarding fixation and regulation of wages, organisation and functions of trade unions, necessity and desirability of collective bargaining, use and abuse of strikes, labour indiscipline, workers participation in management, conditions of work and living, and duties of workers. The Ahmedabad Textile Labour Association, a unique and successful experiment in Gandhian trade unionism, implemented many of his ideas. Gandhiji had immense faith in the goodness of man and he believed that many of the evils of the modern world have been brought about by wrong systems and not by wrong individuals. He insisted on recognising each individual worker as a human being and believed in non-violent communism. He also laid down certain conditions necessary for a successful strike like:**(a)** the cause of the strike must be just and there should be no strike without a grievance;**(b)** there should be no violence; and **(c)** non-strikers or "blacklegs" should never be molested. He was not against strikes but pleaded that they should be the last weapon in the armoury of industrial workers and hence should not be resorted to unless all peaceful and constitutional methods of negotiations, conciliation and arbitration are exhausted.

Gandhiji's concept of trusteeship is a significant contribution in the sphere of industrial relations. He stated that employers should not regard themselves as sole owners of mills and factories of which they may be the legal owners. Rather, they should regard themselves only as trustees, or co-owners. He also appealed to the workers to behave

as trustees, not to regard the mill and machinery as belonging to the exploiting agents but to regard them as their own, protect them and put to the best use they can. The theory of trusteeship, can therefore, be said to be based on the view that all forms of property and human accomplishments are gifts of nature and as such, they belong not to any one individual but to society. This approach aimed at achieving economic equality and the material advancement of the "have-nots" in a capitalist society by non-violent means.

Gandhiji realised that relations between labour and management can either be a powerful stimulus to economic and social progress or an important factor in economic and social stagnation. Industrial peace was recognized as an essential condition not only for the growth and development of the industry, but also as a great measure, for the improvement in the conditions of work and wages. At the same time, he not only endorsed the workers' right to adopt the method of collective bargaining but also actively supported it. He advocated voluntary arbitration and mutual settlement of disputes and pleaded for perfect understanding between capital and labour, mutual respect, recognition of equality, and strong labourorganisation as the essential factors for happy and constructive industrial relations.

6. **Human Resource Management Approach:** The term, Human Resource Management (HRM)finds application in a diverse range of management strategies, which includes personnel or industrial relations management. Some of the components of HRM are: (i) human resource organisation; (ii) human resource planning; (iii) human resource systems; (iv) human resource development; (v) human resource relationships; (vi) human resource utilisation;(vii) human resource accounting; and (viii) human resource audit. This approach emphasizes upon individualism and direct relationship between management and its employees. Therefore, it questions the collective regulation basis of traditional industrial relations.

13.6 TRADE UNIONISM

Labour unions or trade unions are organizations formed by workers from related fields that work for the common interest of its members. They help workers in issues like fairness of pay, good working environment, hours of work and benefits. They represent a cluster of workers and provide a link between the management and workers.

The purpose of labour unions is to look into the grievances of wagers and act as the medium of communication between the workers and management.

Regulation of relations, settlement of grievances, raising new demands on behalf of workers, collective bargaining and negotiations are the other key principle functions that these trade unions perform.

The Indian Trade Union Act, 1926, is the principle Act which controls and regulates the mechanism of trade unions. In India, political lines and ideologies influence trade union movements.

The trade unionism movement originated in the 19th century in Great Britain, continental Europe, and the United States. In many countries it is seen as synonymous with the term *labour movement*. Smaller associations of workers started appearing in Britain in the 18th century, but they remained sporadic and short-lived through most of the 19th century. This was partially due of the hostility they encountered from employers and government groups that resented this new form of political and economic activism. Unions and unionists, during those days, were regularly prosecuted under various restraint-of-trade and conspiracy statutes in both Britain and the United States.

While union organizers in both countries faced similar obstacles, their approaches evolved quite differently: while the British movement favoured political activism, which led to the formation of the Labour Party in 1906, on the other hand, American unions pursued collective bargaining as a means of winning economic gains for their workers. British unionism received its legal foundation in the Trade-Union Act of 1871. However, in the United States the same effect was achieved more slowly and uncertainly,

by a series of court decisions that whittled away at the use of injunctions, conspiracy laws, and other devices against unions.



CHECK YOUR PROGRESS

Q 3: What are the popular approaches to IR ?

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Q 4: What is The Gandhian Approach ?

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Q 5: What is Trade Union ?

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13.7 BIPARTITE AND TRIPARTITE BODIES

Bipartite Bodies

Bipartism is a system of industrial relations where social and labour issues are discussed between trade unions and management, usually at the enterprise level. Bipartite machinery comprises of two important constituents - the works committees and the joint management councils. These are purely consultative, and not negotiating, joint machineries- with equal representation of the employers and the workers –set up exclusively for dealing with disputes affecting the plant or industry.

Bipartite consultative machinery was first recognized as important around 1920, when a few joint committees were set up in the presses controlled by the Government of India. These committees were also introduced in Tata Iron and Steel Company at Jamshedpur. The First-Five-Year Plan of India also highlighted the importance of bipartite bodies by specifically stating that - “There should be the closest collaboration, through the consultative committee at all levels, between employers and employees for the purpose of increasing production, improving quality, reducing cost and eliminating waste.

Below is a discussion on the two important constituents of bipartite mechanisms, as finds mention above -

a. **Works Committees:** These committees have been regarded as the most effective social institutions of industrial democracy and as a statutory body, established within the industrial units with representatives of the management and workmen, for preventing, and settling industrial disputes at the unit level. Works Committees can be formed by any enterprise, employing 100 or more workers. The objectives of such committees are: (i) To remove the causes of friction in the day-to-day work situation by providing an effective grievances-resolving machinery; (ii) To promote measures securing amity and good relationship; (iii)To serve as a useful adjunct in establishing continuing bargaining relationship; and (iv)To strengthen the spirit of voluntary settlement, rendering recourse to conciliation, arbitration and adjudication rather infrequent; for these are achieved by commenting upon matters of concern or endeavour to compose any material difference of opinion in respect of such matters.

b. **Joint Management Council:** The Joint Management Councils give labour a greater sense of participation and infuse a spirit of cooperation between the two parties without encroaching upon each other's sphere of influence, rights and prerogatives. They provide a scope for close mutual interaction between labour and management with emphasis on generating a co-operative atmosphere for negotiation and settlement. These committees also aim at making the will of the employees effective in the management; ensure the operation of the private-owned concern in conformity with national interests and provide for a popular agency for supervising the management of nationalized undertakings. In brief, such committees try to promote industrial goodwill and harmonious relations through better understanding of employees by management and of management by workers.

Tripartite Bodies

Tripartismcan be best described as a system of labour relations in which the state, employers, and workers are autonomous yet interdependent

partners, pursuing common interests and participating in decisions affecting them in a binding spirit of mutuality and reciprocity. This can take place at either or both macro and micro levels. Tripartite consultation is an important feature of India's industrial relations system. In India, the system originated way back in as 1942. The two main forums for Tripartite Consultationin the country are the Indian Labour Conference (ILC) and the Standing Labour Committee (SLC). The objectives of Tripartite Consultation include the following:

i. to promote uniformity in labour legislation.

ii. to lay down a procedure of industrial disputes.

iii. to consider matters of importance to both the managements and labour.

There are a number of tripartite bodies which operate at the Central and State levels. The Indian Labour Conference, Standing Labour Committees, Wage Boards and Industrial Committees operate at the Central level and State Labour Advisory Boards operate at the state level. All these bodies play an important role in reaching at voluntary agreements on various labour matters. Though the recommendations of these bodies are only advisory in nature they carry considerable weight with the government, workers and employers.

13.8 INDUSTRIAL DISPUTES

According to Sec. 2 of the Industrial Dispute Act, 1947, "Industrial dispute means any dispute or difference between employees and employers or between employers and workmen or between workmen and workmen, which is connected with the employment or non-employment or the terms of employment or with the conditions of labour of any person" Industrial disputes are of symptoms of industrial unrest in the same way that boils are symptoms of a disordered body.

Whenever an industrial dispute occurs, both management and workers try to pressurize each other. The management may resort to lock-out and the workers may resort to strike, gherao, picketing, etc.

1. Strike: Strike is a very powerful weapon used by a trade union to get

its demands accepted. It means quitting work by a group of workers for the purpose of bringing pressure on their employer to accept their demands. According to Industrial Disputes Act, 1947, "Strike means a cessation of work by a body of persons employed in any industry acting in combination, or a concerted refusal or a refusal under a common understanding of any number of persons who are or have been so employed, to continue to work or to accept employment."

There are many types of strikes. A few of them are discussed below:

i. **Economic Strike:** Under this type of strike, members of the trade union stop work to enforce their economic demands such as wages, bonus, and other conditions of work.

ii. **Sympathetic Strike:** The members of a union collectively stop work to support or express their sympathy with the members of other unions who are on strike in the other undertakings.

iii. **General Strike:** It means a strike by members of all or most of the unions in a region or an industry. It may be a strike of all the workers in a particular region of industry to force demands common to all the workers. It may also be an extension of the sympathetic strike to express general protest by the workers

iv. **Sit Down Strike:** When workers do not leave their place of work, but stop work, they are said to be on sit down or stay in strike. It is also known as tools down or pen down strike. The workers remain at their work-place and also keep their control over the work facilities.

v. **Slow Down Strike:** Employees remain on their jobs under this type of strike. They do not stop work, but restrict the rate of output in an organised manner. They adopt go- slow tactics to put pressure on the employers.

2. **Lock-out:** The Industrial Disputes Act, 1947 has defined lock-out as closing of a place of employment or the suspension of work or the refusal by an employer to continue to employ any number of persons employed by him. It is an act on the part of the employers to close down the place of work until the workers agree to resume the work on

the terms and conditions specified by the employers.

3. **Gherao:** It is a Hindi word which means 'to surround'. It implies a collective action initiated by a group of workers under which members of the management of an industrial establishment are prohibited from leaving the business or residential premises by the workers who block their exit through human barricade.
4. **Picketing:** When workers are dissuaded from reporting for work by stationing certain men at the factory gates, such a step is known as picketing. It is basically a method of drawing the attention of public towards the fact there is a dispute between the management and the workers.

13.8.1 Causes of Industrial Disputes

The causes of Industrial Disputes may of the following reasons:

a. Economic causes, and
b. Non-economic causes.

Economic causes include the following:

(i) Wages,
(ii) Bonus,
(iii) Dearness allowance,
(iv) Conditions of work and employment,
(v) Working hours,
(vi) Leave and holidays with pay, and
(vii) Unjust dismissals or retrenchments.

Non-economic causes include the following:

(i) Recognition of trade unions,
(ii) Victimisation of workers,
(iii) Ill-treatment by supervisory staff,
(iv) Sympathetic strikes,
(v) Political causes, etc.

13.8.2 Nature of Industrial Dispute

The nature of an industrial dispute may be explained thus:

1. According to Section 2A of the Industrial Disputes Act, 1947, a workman has a right to raise an industrial dispute with regard to termination, discharge, dismissal, or retrenchment of his or her service, even though no other workman or any trade union of workman or any trade union of workmen raises it or is a party to the dispute.
2. The dispute must affect a large number of workmen who have a community of interest and the rights of these workmen must be affected as a class.
3. The dispute must be taken up either by the industry union or by a substantial number of workmen.
4. There must be some nexus between the union and the dispute.

13.8.3 Classification of Industrial Dispute

Industrial Disputes have been classified by the ILO into the following two main types:

1. **Interest Disputes:** Also called 'economic disputes', they arise out of terms and conditions of employment - either out of the claims made by the employees or offers given by the employers. Such demands or offers are generally made with a view to arrive at a collective agreement. Examples of interest disputes are lay-offs, claims for wages and bonus, job security, fringe benefits, etc.
2. **Grievance or Right Disputes:** Grievance or Right disputes arise out of application or interpretation of existing agreements or contracts between the employees and the manage-ment. They relate either to individual worker or a group of workers in the same group.

Such disputes are also called 'individual disputes'. Payment of wages and other fringe benefits, working time, over-time, seniority, promotion, demotion, dismissal, discipline, transfer, etc. are the examples of grievance or right disputes.

Such grievances are often settled through laid down standard procedures like the provisions of the collective agreement, employment contract, works rule or law, or customs /usage in this regard apart from Labour Courts or Tribunals to adjudicate over them.

Although most often industrial disputes are considered as 'dysfunctional' and 'unhealthy', sometimes industrial disputes are beneficial as well. Dispute opens up the minds of employers and motivates and/or induces them to provide better working conditions and emoluments to the workers.



CHECK YOUR PROGRESS

Q 6: Name the different types of industrial disputes.

.....

.....

Q 7: Define Lock out?

.....

.....



13.9 LET US SUM UP

- The concept of industrial relations has been extended to denote the relations of the state with employers, workers, and other organisations. The subject, therefore, includes individual relations and joint consultation between employers and workers at their places of work, collective relations between employers and trade unions; and the part played by the State in regulating these relations".
- IR is dynamic in nature. The nature of IR can be seen as an outcome of complex set of transactions among the major players such as the employers, the employees, the trade union, and the state in a given socio-economic context. In a sense, change in the nature of IR has become sine quo non with change in the socio-economic context of a country.

- The three popular approaches to industrial relation are as follows: 1. Unitary Approach 2. Pluralistic Approach 3. Marxist Approach.
- Labour unions or trade unions are organizations formed by workers from related fields that work for the common interest of its members. They help workers in issues like fairness of pay, good working environment, hours of work and benefits. They represent a cluster of workers and provide a link between the management and workers.
- The purpose of these unions is to look into the grievances of wagers and present a collective voice in front of the management. Hence, it acts as the medium of communication between the workers and management.



13.10 FURTHER READING

1) Ratnam C S V, *Industrial Relations*, Oxford University Press, New Delhi, 2013.

2) Monappa A et al, *Industrial Relations and Labour Laws*, 2nd edition, McGraw-Hill Education, India, 2012.

3) Srivastava S C, *Industrial Relations and Labour Laws*, 6th Revised Edition, Vikash Publishing House, India, 2014.

13.11 ANSWERS TO CHECK YOUR PROGRESS

Ans to Q No 1: Armstrong has defined IR as "IR is concerned with the systems and procedures used by unions and employers to determine the reward for effort and other conditions of employment, to protect the interests of the employed and their employers and to regulate the ways in which employers treat their employees".

Ans to Q No 2: IR in India has been discussed under two time phases: Pre-Independence Era and Post-Independence Era

Ans to Q No 3: The popular approaches to IR are: Unitary Approach, Pluralistic Approach and Marxist Approach

Ans to Q No 4: Gandhiji's concept of trusteeship is a significant contribution in the sphere of industrial relations. He stated that employers should

not regard themselves as sole owners of mills and factories of which they may be the legal owners. Rather, they should regard themselves only as trustees, or co-owners. He also appealed to the workers to behave as trustees, not to regard the mill and machinery as belonging to the exploiting agents but to regard them as their own, protect them and put to the best use they can.

Ans to Q No 5: Labour unions or trade unions are organizations formed by workers from related fields that work for the common interest of its members. They help workers in issues like fairness of pay, good working environment, hours of work and benefits. They represent a cluster of workers and provide a link between the management and workers.

Ans to Q No 6: The ILO has classified the industrial disputes into two main types. They are: Interest Disputes and Grievance or Right Disputes.

Ans to Q No 7: The Industrial Disputes Act, 1947 has defined lock-out as closing of a place of employment or the suspension of work or the refusal by an employer to continue to employ any number of persons employed by him.



13.12 MODEL QUESTIONS

Q 1: Define IR and emphasise upon the need to take up IR as a specialized subject of study in HRM.

Q 2: Discuss the evolution of IR in India.

Q 3: Distinguish between the pre-independence and the post-independence developments of IR in India.

Q 4: Throw light upon the Unitary, Pluralist and Marxist approaches to IR.

Q 5: Draw focus to the Human relations Approach and the Gandhian Approach to the discipline of IR.

Q 6: Create understanding about the meaning of Trade Unionism.

Q 7: Enlist and explain a few causes of Industrial disputes and state remedies to them.

Q 8: Explain the composition and functioning of Bipartite and Tripartite bodies for settlement of Industrial Disputes.

*** ***** ***

UNIT 14 : LABOUR LEGISLATION : AN INTRODUCTION

UNIT STRUCTURE

14.1 Learning Objectives
14.2 Introduction
14.3 Labour Legislation -Its Background
14.4 Labour Legislation in the Pre-Independence Period
14.5 Labour Legislation in the Post Independance Period
14.6 International Labour Organisation-
14.6.1 Structure of ILO
14.6.2 Objectives of ILO
14.6.3 Principles of ILO
14.7 Let Us Sum Up
14.8 Answer to Check Your Progress
14.9 Further Reading
14.10 Model Questions

14.1 LEARNING OBJECTIVES

After going through this unit you will be able to -

- explain the background and development of labour legislation
- describe the ILO and its structure, objectives and Principles.

14.2 INTRODUCTION

In this unit, we will discuss the genesis of labour organisation. During the twentieth century a new branch of jurisproduce known Industrial juris produce has developed in our country. The growth of industrial jurisproduce can significantly be noticed not only from increase in labour and industrial legislation but also from a large number of industrial law matters decided by the Supreme Court and High Courts. It effects directly a considerable

population of our country consisting of industrialists, workmen and their families. The workers are affected by the different oppressive acts that they preferred to quit their jobs. They demand for their regular payment of wages, weekly holidays etc.Thus , those who are affected indirectly constitute bulk of the country's population. This branch of law modified the traditional law relating to master and servant and cut down the old theory of leisure fair which was based upon the 'freedom of contract ' in the larger interest of the society because that theory was found warming for the development of harmonious and amicable relations between the employers and employees. Through this unit you can understand the genesis of labour legislations along with the various aspects of labour legislations.

14.3 LABOUR LEGISLATIONS - ITS BACKGROUND

Industrial relations play a vital role in establishing and maintaining industrial democracy. The industrial relations have passed through several stages in India. Social, economic, and political are the various factors influenced industrial relations in India. Labour Statistics in India comes from the first national population census which was conducted in 1872 and it explains the number of gainfully employed. Until the Second World War, data related to employment of labour collected. The Royal Commission on Labour in 1931 pointed out the need for systematic collection of labour statistics and recommended the adoption of suitable legislation regarding the different conditions of industrial labour. The result was the enactment of Industrial Statistics Act in 1942. It helps in collection of statistics on matters relating to factories and certain specified areas of welfare and conditions of labour. Thus, different important Acts such as the Workmen's Compensation Act, 1923, the Trade Unions Act, 1926, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employee's State Insurance Act, 1948, the Factories Act, 1948 etc made. The labour legislation modified the traditional law relating to master and servant and had cut down the old theory of Leisure fare. The workers and employers are two important pillars of our economy. Proper regulation of employer-employee relationship is a condition

precedent for planned and purposeful development of society. Many changes took place. Individual contracts have been in many respects substituted by a standard form of statutory contract through legislation and judicial interpretation. The traditional right of an employer to hire and fire his workmen at his will has been subjected to many restraints. Industrial Tribunals can by their award make a contract which is binding on both the parties creating new right and imposing new obligations arising out of the award. The right of labour participation in the management has been given legislative recognition to the utter despair of the capitalist. The Industrial society all over the world has been moving during the present century from contract to status and is a politico-socio-economic juristic state. Actually, industrialisation is the main factor that leads to this departure from the old theories of the law of contract and the law of master and servant. Those who control the industry have a natural tendency of multiplying their wealth and if this tendency is not controlled and checked properly the rich grows on richer and the poor becomes poorer day by day. The gap between the rich and the poor ultimately grows on to this extent that it develops into two distinct classes in any industrial society. The realization that the workmen could put a better fight if they get united was closely followed by a period of Industrial unrest leading to strikes and lockouts. In conditions so disturbed the world has witnesses the horrors of the two world wars resulting in spiral rise in the cost of living there has been consistent document from labour for in crease in wages - Democratic ideas have also growth simultaneously with the growth of industrialisation in our country. These democratic ideas have pleased for and have also helped in mass awakening and consciousness for greater power amongst the working class. Out of the struggle between workers, demanding for better share in the production and profit of the Industry and the employers' hesitation to part with it beyond a certain limit, have grown the recognition of certain principles which are coincided to be fundamental in almost all developed countries of the world. The concept of Industrial jurisprudence in our country developed only after independence. Until independence the charge in attitude of the Government and the benevolent labour legislation

only aimed at amelioration of the conditions of labour and it could hardly be said to be a deal in social justice to the working class. The birth of industrial jurisprudence in our country may be ascribed to the constitution of India,

14.4 LABOUR LEGISLATION IN THE PRE-INDEPEN DANCE PERIOD

During pre-independence period, workers were hired and fired as the principal of demand and supply governed industrial relations. The employer was in a commanding position, and the conditions of employment and wages were very poor. When these conditions continued despite the efforts of leaders, it paved the way for revolutionary movements. Even after the end of the first world war, the trade union movement had not emerged. There were hardly any laws to protect the interests of worker except the Employers and Workers (Disputes). Act 1860, which was used to settle wage disputes. After the first world war, the Industrial relations concept assumed a new dimension in the sense that workers now resorted to violence and employers to lockouts. There were numerous strikes and to violence and employers to lockouts. There were nummerous strickes and lockouts took place and it create disturbance during 1928-29.

As a result, the government enacted the Trade Disputes Act, 1929, to enhance the early settlement of industrial disputes. This was based on the British Industrial courts (BIC) Act, 1919. The Trade Disputes Act, 1929 differed from the BIC Act in that it did not provide for any standing machinery for the settlement of disputes. However, it was found that neither the Central Government nor the State Governments made adequate use of this law. In 1938, in order to meet the acute industrial unrest prevailing then the Bombay government enacted the Bombay Industrial Relations (BIR) Act, for that first time a permanent machinery, called the Industrial Court . It was established for settling disputes. This was replaced by the BIR Act, 1946, which was amended in 1948, 1949, 1953 and 1956. Soon after the second world war, India faced, many problems, such as rise in the cost of living, scarsity of essential commodities, high population growth rates, massive unemployment increasingly frudulent industrial relations situation etc.

14.5 LABOUR LEGISLATIONS IN THE POST INDE PENDENCE PERIOD

After independence, one of the significant steps taken in the field of industrial relations was the enactment of the Industrial Disputes Act, 1947, which not only provides for the establishment of permanent machinery for the settlement of Industrial disputes but also makes these awards binding and legally enforceable. Besides the Industrial Disputes Act in December 1947, an Industrial Conference was held in India, where an appeal was made to labour and management in the form of an industrial True Resolution to maintain industrial harmonay.

After independence, the growth of labour legislations can be classified as follows -

1. 1947

a) Enactment of Industrial Disputes Act 1947 along with permanent machinery to Settle industrial disputes.

b) Industrial Trace Resolution was made . It made an appeal to labour and management to cooperate and maintain industrial pence (1947)

2. 1947-56

a) Indian Labour Conferrence (ILC) was formed in lines with similar body of ILO where representatives of government employees and workers met regularly and made recommendation of legislative measures. This is a Tripartite body.

b) A large number of legislative measures have been enacted by Indian Parliament mostly based on the recommendation from ILC as given above.

3. 1957 - 65

a) In 1957, the IR emphasis shifted from “legalism” to “Voluntarism”. In this period instead of attempting to enact more labour laws and legislation, the ILO wanted toward achieving voliontary agreement between labour and management. Examples are “Code of Discipline” JMC, etc.

b) Code of Discipline was introduced (1957)

c) Joint Management Councils (JMC)

d) Works committee

4. 1962-71

a) Political and social turmoil during this period created ripples in IR in India. Major events are chinese aggression (1962), death of Pandit Jawaharlal Nehru (1964), India Pakistan war (1965,1971), split of Indian National Congress (1969).

b) National commission for labour (NCL) was appointed in 1966 . It finalises its reccommendations by 1969. Some of the recommendations of NCL were processed by ILC and policy decisions taken viz recognition of bargaining agent, formation of Industrial Relations Commissions instead of Tribunals etc. However, subsequently, the Governments did not implement these recommendations.

5. 1972 - 76 :

a) Considerable Industrial unrest during this period.

b) National emergency was declared in June 1975 and fundamental rights were curbed.

c) ILC did not meet from 1972 to 1976.

e) Set up National Apex Body (NAB) and State Apex Body (SAB) instead of NLC, based on 20 point programme. NAB and SAB were bipartite bodies represending employees and employers.

6.1977-80

a) Emergency was repealed in 1977 and Janata Government took over Central Government for the first time from Congress Party.

b) NLC was revived in 1977.

c) Period of reconciliation followed.

d) Draft L.R. Bill 1978 was prepared. This however, was not yet enacted.

7. Post 1980's

a) Militancy of trade Unionism showed its ugly head in 1980-81 where series of murder and assault of labour leaders (President of HMS) and CEO's (MD of Bombay Tyres) took place.

b) More than 70,000 unresolved industrial disputes were lying with -

Government and high rate of price rise and unemployment added to the causes of industrial unrest.

c) To combat the situation Government enacted Essential Services Maintenance Act (ESMA) in 1981.



LET US KNOW

Since Independence till 1954, the period when V.V. Giri was the labour Minister, all official pronouncements emphasised that labour should become self-reliant. An equally forceful new had been to prefer reliance upon the Government. This cross current of approach to the labour policy gave mark to anew approach known as Tripartism.



CHEEK YOUR PROGRESS

A. Fill up the blanks :

i) The Employers and Workers (Disputes) Act 1860 which was used to settle ..... disputes.

ii) The Government enacted the trade disputes Act in the year .....

iii) Trade Disputes Act was based on the ..... Industrial Court Act, 1919.

iv) In the year 1938 , in order to meet the acute industrial unrest prevailing then the Bombay Govt. Enacted the .... Act.

v) Essential Services Maintenanc Act, (ESMA) was enacted in the year .....

14.6 INTERNATIONAL LABOUR ORGANISATION

The International Labour Organisation was set up on April 19, 1919 as a result of the peace conference convened at the end of World War I at

Versailles. The ILO is an international organisation, a new social experimental institution trying to make the world conscious that world peace may be affected by the unjust conditions of its working population. The unique feature of the ILO is that the representation of management, labour and government participate in its proceedings. When in the year 1946 the United Nations Organisation came into being, the ILO become the first specialist agency of the organisation. ILO is like other intergovernmental agencies such as the FAO or WHO working for the universal cause but deffering from them in one aspect, namely in its tripartite structure. Representation at all the proceedings of ILO is given to workers and employers besides governmental agencies.

14.6.1 Structure of ILO

Organisational structure of ILO consists of 3 bodies or subsystems. Such as

a) An International Labour Conference

b) A Governing body and

c) An International Labour office

a) An International Labour Conference : It is the Apex level body of ILO, which makes policies, rules and regulations. The conference comprises of three groups representing governments, employers and workers in the ratio of 2: 1: 1. Conference sessions are held at a frequency not less than once in a year. The Government delegates to the ILC are mostly ministers, diplomats or officials subjects to government instructions. Under the constitutions of the ILO employere and workers delegates are nominated by the Governments in agreement with the relevant industrial organisations.

Following are the functions of ILC

i) Formulate International Labour standards

ii) Fixes amount of contribution by member-states.

iii) Pass budgets and expenditure.

iv) Amendments of constitution by $^{2}/_{3}$ majority.

v) Studies labour problems submitted by Director General and discuss and finds solution.

vi) Appoint committee on 'as required basis' to study problems indepth.

vii) Develop policies and procedure.

viii) Select members to Governing body once in every three years.

ix) Elects its own President.

x) Seek advisory opinion from international committee of justice.

xi) Confirms the powers, functions and procedures of regional conferences.

b) The Governing Body :

The Governing Body is another principal bodies of the ILO. The Governing Body is a non-political, non-legislative, tripartite body. With the help of the International Labour office, it carries out the decisions of the conferences. It consists of 56 members of which 28 represent government contingent, 10 are appointed by the members of the States of Chief Industrial Importance and the balance are delegates of other governments.

Following are the functions of Governing body -

i) Co ordinate work between ILC and International Labour office.

ii) Prepare agenda for each ILC

iii) Appoint Director General of the office.

iv) Scrutinise the budget.

v) Follow up with the member states in regard to implementation of recommendation made by ILC

vi) Fixes date, schedule, and agenda for Regional Conferences.

c) An International Labour office :

This is the third major body in the ILO System. It functions as the Secretariat of the ILO in Geneva. The Directors General of the ILO is the Chief Executive of this office. Director General is appointed by Governing Body. He also acts as Secretary General of

ILC. He is appointed for 10 years and his Term may be extended by the Governing Body. Following are the functions of this office -

i) To prepare documents on the items of the agenda of the conference.

ii) To assist governments in framing legislation on the basis of the decisions of the ILC.

iii) To carry out its function in connection with the observance

iv) To bring but publications dealing with Industrial labour problems of international interest.

v) To collect and distribute information of international labour and social problems.

14.6.2 Objectives of ILO

The main objective of ILO is improvement of labour conditions. Objectives of ILO are contained in the following three documents. Such as -

i) Preamble to its constitution

ii) Article 427 of Peace Treaty of Versailles - 1919.

iii) Philadelphia Declaration of 1944

In the Preamble to its constitution supplemented by Article 427 of the peace treaty of versailles, 1919. The basic objectives of ILO are as follows -

i) Provide social justice to workers.

ii) Avoid injustice, depreciation and exploitation of labour.

iii) Build up good working condition to the labour.

iv) World peace is possible when the above three conditions are met.

The objective of ILO was also revised in Philadelphia conference in 1944. As a result of which following 10 objectives of ILO were developed.

i) Full employment and raising living standard of workers.

ii) Employ workers on jobs for which they have adequate skill and satisfaction to work.

iii) Provide training and development facilities to achieve the above objective.

iv) Provide a fair share of profit as compensation sufficient for minimum living wage and give protection.

v) Recognise "collective bargaiering" not only as a right of workers but also as a means of improving productive efficiency in a spirit of cooperation between management and employees.

vi) Extend social security and medical cover.

vii) Protect life and health and medical cover.

viii) Child welfare and maternity protection.

ix) Provide adequate metrition, housing and recreation facilities.

x) Provide quality education and vocational opportunity.

14.6.3 Principles of ILO

The Philadelphia conference held in 1944 has laid down the following principles for ILO:

1) Labour is not a commodity

2) Freedom of expression and association are essential

3) Poverty is a threat to prosperity.

4) Fight was against want by joint efforts by Government, management and workers together on equal states and with democratic traditions.



LET US KNOW

The constitution of the ILO provides simple rules of procedures regarding admission of a state to the membership of the ILO. It provides that all those states, who were members of the ILO on 1st November, 1945 and any original member of the UN can become member of the ILO by accepting the obligations of its constitution. Other states can also become members of the ILO by a vote concurred by $^{2}/_{3}$ of the delegates attending the sension including $^{2}/_{3}$ of the government delegates present and voting.



CHECK YOUR PROGRESS

A. Match the both sides

i) Establishment of ILO	i) 1946 (iii)
ii) Peace Conference at the end of World War I	ii) 3 (iv)
iii) United Nation Organisation	iii) Governing body (v)
iv) Nos. of bodies of ILO	iv) April 19, 1919 (i)
v) Non-political Tripatite	v) At Versailles (ii)



14.7 LET US SUM UP

The labour legislation modified the traditional law relating to master and servant and had cut down the old theory of Laissez faire based upon the "freedom of control" in the larger interest of the society because that theory was found wanting for the development of harmonious and amicable relations between the employers and employees. During pre-independence period workers were hired and fired as the principles of demand and supply governed industrial relations. The Government of India enacted the Trade Disputes Act 1929 to enhance the early settlement of industrial disputes. After independence one of the significant steps taken in the field of Industrial Disputes Act, 1947, which not only provides for the establishment of permanent machinery for the settlement of industrial disputes but also makes awards which are binding and legally enforceable. After independence, growth of labour legislations was made as result of enactment of several labour legislations.



14.8 FURTHER READING

1) Personnel Management and Industrial Relations, By N.G. Nair and Latha Nair..

2) Industrial relations, By Arun Monappa.

3) Labour & Industrial Laws, By S.N. Mirsra.

14.9 ANSWERS TO CHECK YOUR PROGRESS

Ans to Q No 1: i) Wage ii) 1929 iii) British
iv) Bombay Industrial Relation v) 1981

Ans to Q No 2: i) _____ iv), iv) _____ ii)
ii) _____ v) v) _____ iii)
iii) _____ i)



14.10 MODEL QUESTIONS

Q 1: Briefly write about the background of labour legislation.

Q 2: Discuss the growth of labour legislation pre-independence as well as post independence of India.

Q 3: Explain the structure of International Labour Organisation.

Q 4: What are the various objectives of ILO.

Q 5: Mention the principle of ILO.

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UNIT 15: OCCUPATIONAL SOCIAL WORK

UNIT STRUCTURE

15.1 Learning Objectives

15.2 Introduction

15.3 Industrial Workers – Background, Education, Skills and Adjustments

15.4 Characteristics of Industrial Worker

15.5 Absenteeism

15.6 Influence of Trade Unions

15.7 Let Us Sum Up

15.8 Further Reading

15.9 Answer to Check Your Progress

15.10 Model Questions

15.1 LEARNING OBJECTIVES

After going through this unit, you will be able to:

- discuss about the origin and background of Industrial Workers
- learn about the educational status, skill status and other characteristics of Indian industrial workers
- discuss the meaning of, causes of and remedies to absenteeism in workplace
- describe the significant impact and influence that trade unions exhibit.

15.2 INTRODUCTION

The plight of any relationship is determined by the personal, social, professional, educational, locational, legal, and such other back drops where it originates or exists. Hence, an understanding of the background and present status of the prime parties involved in the relationship helps in setting mutual goals and in maintaining a congenial and smooth relationship. With this

object in mind, this unit has been so designed as to create an understanding of the background of industrial workers, their educational status, skills, etc. – with special reference to the Indian context - as workers are a primary stakeholder of any industrial relations activity/decision.

Moreover, with the same intention in mind, the unit also focuses upon various facets of absenteeism in the workplace and the significance of existence and influence of trade unions within and outside the organization.

15.3 INDUSTRIAL WORKERS – BACKGROUND, EDUCATION, SKILLS AND ADJUSTMENTS

Industrial Workers refer to all those workers, who are employed in manufacturing units, i.e., the workers employed in large scale, village & small scale industries are considered industrial labour in general sense.

The 1850s mark the increase in the labour intensive industrial development. This decade saw the successful establishment of jute and cotton mills. The coal-fields were connected with the railway junctions to facilitate the supply of coal to the expanding railway system in India.

Since India was subjected to British industrial interests, the building of railway system and working coal-fields could not give stimulus to industrial revolution. As observed by Daniel Thorner, the railway system was constructed both to drain out the raw materials at economical rates and also to create a demand for British industrial goods.

To put it in his words:

In the economic sphere the railways fostered a measure of regional specialization in both agricultural and industrial production and encouraged the bringing of more land under cultivation. The railways appear also to have helped raise the level of wages and prices and to have helped make them more nearly uniform in the sub-continent as a whole.

Yet when we consider the fact that the railways have been the largest and most important enterprise of a truly modern character in India, involving heavy machinery, precision techniques, and advanced communications, we have to conclude that they have had surprisingly few constructive results. They helped spread a veneer of modernization over the countryside while

doing little to initiate a process of modernization.

In 1946, 70 per cent of the industrial index was constituted by the cotton textiles jute textiles and coal. All other mining and industrial concerns accounted for about one third of the total industrial production on the eve of independence.

The industrial growth up-to the first World War was confined entirely to these four basic industries viz., railways, coal, jute and cotton. It was the alarming growth of steel industry in Germany which rather compelled the British Government to develop conciliatory steel industry in India, and the Tata Iron and Steel Industry (TISCO) made its mark on the industrial map of India in 1911.

Next in importance to the railway industry was the coal industry. Not only was it the basic requirement of railways in India, but also of the British industry. The production of coal was just one lakh tonnes in the 1840s which rose to three lakhs tonnes in 1860, one million tonnes during the First World War, and, thereafter, remained almost static on 250 million tonnes during the period of subjugation of the country to Pax Britannica. This industry was controlled and managed exclusively by the British till the 1920s. Thereafter, small coal-fields were developed by the Indian management.

Next in order of importance was the jute industry - also started by the British. The first jute industry, in India, was established in 1854. Three more mills came into existence by 1862 followed by, 4000 looms in operation by the year 1877. This number rose to 15,000 looms by the close of the century.

The military preparations in Europe in the twentieth century helped increase the number to 40,000 looms by the time the First World War came to an end.

Around the same time, the Indian textile industry was ruthlessly destroyed by the British in India. However, **the cotton industry** was revived by the Indian entrepreneurs. The Parsicommunity which traded in raw-cotton were the first to establish a cotton mill in 1854. Thereafter, the growth of cotton industry was rapid in the country. The number of mills increased from just 8 in 1861 to 271 mills in 1914 and the trend till 1946.

The First World War forced the industrial growth, in India, at a faster rate and in diverse areas. On the one side, marine activities being curbed in 1800, India was left with no merchant marine of its own. The country was also deprived of the marine facility offered by the British merchant fleet during the war.

The British empire was exposed to the grave danger of non-availability of spare parts and machinery brought and there was evidenced almost a break-down even in railway service. British compulsion to place its demands for government stores, so far obtained from England, on Indian resources helped in the emergence of other light industries in the country. The general and electrical engineering industries which were absent from the industrial map of 1914, had become an important sector by 1919.

Railway workshops, ordinance factories, iron and steel factories, chemical industries and others had obtained a respectable place on the industrial map of India by that time. This trend of industrial growth provided jobs to an increasing number of people and led to the emergence of a substantial labour force in India as depicted in the table that follows:

Growth of Industrial Employment in India ('000)

Industry	*1892*	*1899*	*1909*	*1919*	*1929*	*1939*	*1949*
Railways	25	309	510	713	818	709	901
Coal mines	33	83	129	190	180	227	345
Other mines				59	184	186	174
Cotton textiles	121	163	237	280	338	449	653
Jute Textiles	66	102	204	276	347	299	332
General and Elec. Engg.				30	53	48	136
Railway workshops		52	93	134	136	104	108
Ordinance		13	15	24	22	31	84
Iron and Steel	12	17	24	21	32	41	60
Chemical				2·8	3·5	4·8	18
Other factory employment	55	105	213	404·2	622·5	715·2	1053
Total labour employment	546	844	1425	2134	2736	2824	3354

Table 5.1: Growth of Industrial Employment in India

It is evident in the above table that there was a labour force of about 546 thousands in 1892 which increased to 3854 thousands by 1949 i.e., it increased 700 per cent during this period. This phenomenal growth was in

the railways as it employed the largest number of people. Further, this number rose from 259 thousands in 1892 to 901 thousand in 1949.

Thus, there was an increase of about 350 per cent in the employment oflabourers in the railways which was followed by the mining industry. There were just 33 thousands miners in 1892 which rose to 594 thousands in 1948 i.e., the employment opportunities increased by 180 per cent in mining industry.

Next to the railways in providing employment was the cotton industry that employed 121 thousands people in 1892 and 661 thousands people in 1848. The overall factory employment, however, was insignificant with only 254 thousands people in the factory employment in 1882. By 1949, the factories in India were providing jobs to about 2580 thousandspeople and industrial growth was much below the potentialities of the country. During the Second World War, India still remained predominantly an agricultural country with only eleven per cent of the population in urban centres. Until 1939, over seven- tenths of the export trade consisted of raw materials and food stuffs and about three-quarters of the imports consisted of wholly or partially manufactured goods.

The number of persons employed in organized sector remained extremely low for a population of the size of India.This was mainly because of the tendency that the country could not have a substantial labour force, which could leave its impact on the socio-economic development of the country during this period.

15.4 CHARACTERISTICS OF INDUSTRIAL WORKERS

The following are the characteristics of industria worker:

1) **Illiteracy:** A large proportion of industrial workers in India are illiterates & ignorant. So they cannot understand the problems confronting the economy in general & industries in particular. They do not even understand their own problems.
2) **Lack of Discipline:** There is no discipline among the industrial labours in India Indiscipline, absenteeism without any reasons. Moving from

one job to another etc, are very common.

3) **Migratory Characters:** Industrial labour in India is migratory in character. Most of the laborers in industries are drawn from villages & are cages to return to their homes during their busy agricultural seasons.

4) **Lack of Organisations:** The industrial labour in India is not united, but is divided & sub – divided on the basis of language, region, caste, etc. They are unable to organize themselves. Consequent upon that most of the trade unions are controlled by outsiders.

5) **Low Efficiency:** The efficiency of industrial labour in India is very low. Their productivity is also very low. Lack of education, training, research medical facilities, etc, are reasons for low productivity.

6) **Poverty:** The industrial labours in India are very poor. Their salary, standard of living & productivity are very low. They are unable to generate interest in their work because of poverty.

7) **Superstitions:** Most of the industrial labour in India are superstitions & tradition – bound. They believe in fatalistic & Meta physical things. They have irrational outlook.

8) **Large Scale Absenteeism:** It is another important feature of industrial labour. They remain absent without any reason.

9) **Ignorant of Roles & Regulations:** A good proportion of our industrial workers are ignorant of rules & regulation.

10) **Bad Habits:** The industrial labourers in India are addicted to bad habits. They are involved in unhealthy practices. As a result, their efficiency & mental discipline are badly affected.



CHECK YOUR PROGRESS

Q 1: Enlist the chacteristics of the Indian industrial workers.

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15.5 ABSENTEEISM

Absenteeism is an employee's intentional or habitual absence from work. While employers expect workers to miss a certain number of workdays each year, excessive absences can equate to decreased productivity and can have a major effect on company finances, morale and other factors. This article looks at the causes of absenteeism, the costs of lost productivity and what employers can do to reduce absenteeism rates in the workplace. People miss work for a variety of reasons, many of which are legitimate and others less so. Some of the common **causes** of absenteeism include (but are not limited to):

- **Bullying and harassment** - Employees who are bullied or harassed by co-workers and/or bosses are more likely to call in sick to avoid the situation
- **Burnout, stress and low morale -** Heavy workloads, stressful meetings/presentations and feelings of being unappreciated can cause employees to avoid going into work. Personal stress (outside of work) can lead to absenteeism.
- **Disengagement** - Employees who are not committed to their jobs, co-workers and/or the company are more likely to miss work simply because they have no motivation to go.
- **Childcare and eldercare** - Employees may be forced to miss work in order to stay home and take care of a child/elder when normal arrangements have fallen through (for example, a sick caregiver or a snow day at school) or if a child/elder is sick.
- **Injuries** - Accidents can occur on the job or outside of work, resulting in absences. In addition to acute injuries, chronic injuries such as back and neck problems are a common cause of absenteeism.
- **Depression** - According to the National Institute of Mental Health, the leading cause of absenteeism in the United States is depression. Depression can lead to substance abuse if people turn to drugs or alcohol to self-medicate their pain or anxiety.
- **Illness** - Injuries, illness and medical appointments are the most

commonly reported reasons for missing work (though not always the actual reason). Not surprisingly, each year during the cold and flu season, there is a dramatic spike in absenteeism rates for both full-time and part-time employees.

- **Job hunting** - Employees may call in sick to attend a job interview, visit with a head-hunter or work on their resumes/CVs.
- **Partial shifts** - Arriving late, leaving early and taking longer breaks than allowed are considered forms of absenteeism and can affect productivity and workplace morale.



CHECK YOUR PROGRESS

Q 2: What do you understand by absenteeism?

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Q 3: State a few of the causes of work place absenteeism.

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15.6 INFLUENCE OF TRADE UNIONS

A Trade union is an organization of workers, acting collectively, who seek to protect and promote their mutual interests through collective bargaining. Trade unions are based upon the concept of “class-struggle” between the capitalist employers and their workers.

Trade Unions in India are registered and file annual returns under the **Trade Union Act (1926)**. The Trade Union movement in India is largely divided along political lines and follows a pre-Independence pattern of overlapping interactions between political parties and unions. Trade unions have gradually evolved and have now come to occupy an important place in the modern industrial order, they have now become gigantic associations; they have now become institutions which are interested in the social, cultural and political development of the county.The firm or industry level trade unions are often affiliated to larger Federations. The largest Federations in the

country represent labour at the National level and are known as **Central Trade Union Organisations (CTUO)**.

Trade Unions have **three cardinal principles:** Unity is strength, Equality of pay for equal work, Security of employment. Now-a-days the trade union movement is no longer solely a movement for advancing claims as a movement seeking to increase the material well being of its members but has grown into a force which not only defends the political, social and cultural interests of its members but also carries out special tasks affecting enterprising and intellectual workers especially with regard to their career, jobs, salaries, paid holidays, vocational training, recreational and health improvement programmes etc.

The establishment of textile and clothing mills around the port cities of Bombay (now Mumbai), Calcutta (now Kolkata), Madras (now Chennai) and Surat in the second half of the 19th century led to the start of the industrial workforce in India. The credit for the first association of Indian workers is generally given to the **Bombay Mill-Hands Association** founded by N.M. Lokhande in 1890. This was just after the passing of the 'First' Factories Act in 1881 by the British Government. Thereafter the formation of several labour associations and unions could be evidenced. The first clearly registered trade-union is considered to be the **Madras Labour Union** founded by B.P. Wadia in 1918, while the first trade union federation to be set up was the All India Trade Union Congress in 1920.

With the rapid growth of unions around the time of the First World War, the Russian Revolution and the setting up of the ILO, industrial conflict began to increase. Over 1,000 strikes were recorded between 1920 and 1924. Consequently, the **Trade Union Act (1926)** was passed which created the rules for the regulation and closer monitoring of Trade Unions. During the first year of the operation of the Act, 28 unions registered and submitted returns with a total membership of100,619. The number grew rapidly thereafter. By the time of Independence of India in 1947, there were 2,766 unions registered which had a combined membership of over 1.66 million. This resulted in a wide influence of unions and workers' organisations and led to significantly favourable social legislation being enacted in the first

decade of Independence.

Post Independence in 1947 and post formation of the Republic in 1950, India largely followed a socialist economic approach encouraging public sector employment and pro-worker legislations. The trade-union movement reflected divisions along Socialist and Communist lines. In the subsequent decades, significant expansion in trade union membership could be seen with the number of active unions reaching its peak in the mid-1970s and mid-1980s. The 1970s in India was a period characterised by political instability but the 1980s was characterised by the beginnings of a distinct turn towards more market-friendly policies, support for industrialists and an implicit opposition to workers.

After economic liberalisation in 1991, there was seen a declining government intervention in the economy as well as a decline in the creation of public sector employment and encouragement for the private sector. Initiatives at unionization in the private sectors were often met with opposition and the wider general withdrawal of State support for workers further undermined their bargaining power. These policies led to a stagnation in the number of unionised formal sector workers.

This led to a gradual shift in focus about the importance of the Informal sector and 'Informal employment in the formal sector' from the late 1990s onwards which meant that trade unions also began to focus on these workers. As a result, there was greater enrolment of these workers subsequently leading to increases in union membership. The Central Trade Union Organisations (CTUOs) increased their combined membership from 13.21 million in 1989 to 24.85 million in 2002. Almost all the CTUOs now have at least 20 percent of their official members coming from the informal sector.

For a long time after 1947, neither the government nor the management (or even the unions themselves) thought of the unions as a group who may contribute to the economic performance of the economy or the enterprise. However, this is changing gradually. The unions and the management are entering into agreements with bearing on productivity and growth of the enterprise.



CHECK YOUR PROGRESS

Q 4: Explain the meaning of Trade Union.

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15.7 LET US SUM UP

- Pre- independence, railway workshops, ordinance factories, iron and steel factories, chemical industries and others had obtained a respectable place on the industrial map of India. It was this industrial growth which provided jobs to an increasing number of people and led to the emergence of a substantial labour force in India.
- Absenteeism is an employee's intentional or habitual absence from work. While employers expect workers to miss a certain number of workdays each year, excessive absences can equate to decreased productivity and can have a major effect on company finances, morale and other factors. This article looks at the causes of absenteeism, the costs of lost productivity and what employers can do to reduce absenteeism rates in the workplace.
- A Trade union is an organization of workers, acting collectively, who seek to protect and promote their mutual interests through collective bargaining. Trade unions are based upon the concept of "class-struggle" between the capitalist employers and their workers.
- Trade Unions in India are registered and file annual returns under the **Trade Union Act (1926)**. Statistics on Trade Unions are collected annually by the Labour Bureau of the Ministry of Labour, Government of India. As per the latest data, released for 2012, there were 16,154 trade unions which had a combined membership of 9.18 million (based on returns from 15 States - out of a total of 36

States).[1] The Trade Union movement in India is largely divided along political lines and follows a pre-Independence pattern of overlapping interactions between political parties and unions. The net result of this type of system is debated as it has both advantages and disadvantages.



15.8 FURTHER READING

1) Hancock Keith and LandsburyRusell D, Industrial Relations Reform: Looking to the Future :Essays in honour of Joe Isaac AO, Federation Press, Annandale (Australia), 2016

2) Misra S N, *Labour and Industrial Law*, Central Law Publications, India, 2013.

3) Ratnam C S V, *Industrial Relations*, Oxford University Press, New Delhi, 2013.

15.9 ANSWERS TO CHECK YOUR PROGRESS

Ans to Q No 1: The characteristics of Indian industrial workers include – illiteracy, lack of discipline, lack of organization, poverty, superstition, migratory character, low efficiency, among others.

Ans to Q No 2: Absenteeism is an employee's intentional or habitual absence from work.

Ans to Q No 3: Among the various causes of absenteeism, a few are – job hunting, stress and burnout, childcare and eldercare, bullying and harassment, depression, partial shifts, etc.

Ans to Q No 4: A Trade union is an organization of workers, acting collectively, who seek to protect and promote their mutual interests through collective bargaining. Trade unions are based upon the concept of "class-struggle" between the capitalist employers and their workers.



15.10 MODEL QUESTIONS

Q 1: Elaborately discuss the development, composition and characteristics of Industrial Workers in India.

Q 2: Explain the meaning and causes of absenteeism.

Q 3: Discuss the negative effects of absenteeism on industrial functioning.

Q 4: Is there a cure for absenteeism? Suggest remedial measures to deal with the crucial issue of absenteeism in workplace.

Q 5: Emphasise upon the influence that trade unions exhibit in the industrial environment, owing to the kind of role that they play.

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