

THE ROLE OF INDUSTRIAL RELATIONS IN GLOBALIZATION

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As in a civilized society relations among human beings determine the quality of society, industrial relations in an industrial organization vitally spell out the success or unsuccess of that organization. In fact, Industrial Relations generally imply the relationship between the management and the organized labor in an industrial organization or within an industry. In this fast developing world industrial progress is a synonym for material well being of a country. For this industrial relations are of utmost importance. It has been pointed out by few management experts like that Bethel, Atwater, Smith & Stackman state that industrial relation is that part of management which is concerned with the manpower of the enterprises(1). "Industrial Relations is an art, the art of living together for the purposes of productions"(2). The relationship can either be cordial or otherwise, depending upon the attitudes and approaches of the people concerned. Attitudes and approaches of the management and those of workers, possibly represented by trade unions, can be complex and diverse. Dunlop attests that the industrial societies necessarily create industrial relations defined as the complex of inter-relations among workers, managers and the government.(3) Thus, Industrial Relation is the composite result of the attitudes and approaches of the employers and employees towards each other with regard to planning, supervision, direction and coordination of the activities of an organization with a minimum of human efforts and frictions with an animating spirit of cooperation and with proper regard for the genuine well being of all members of the organization.(4)

Hence, Industrial Relation is the relation in the industry created by the diverse and complex attitudes and approaches of both the management and the workers or employers and employees in the connection with the management of the industry. The attitudes of both workers and management influence each other and determine natural relationship. However, it should be noted that industrial relation is not a simple mutual relationship. It is a set of functional inter dependence which is influenced by various factors, say, economic, social, psychological, technological, political occupational etc.

Importance of Cordial Industrial Relations in the Globalization

The healthy industrial relations are key to the progress and success. Their significance may be discussed in an era of Globalization as under –

□ **Uninterrupted production** – The most important benefit of industrial relations is that this ensures continuity of production. This means, continuous employment for all from manager to workers. The resources are fully utilized, resulting in the maximum possible production. There is uninterrupted flow of income for all. Smooth running of an industry is of vital importance for several other industries; to other industries if the products are intermediaries or inputs; to exporters if these are export goods; to consumers and workers, if these are goods of mass consumption.

□ **Reduction in Industrial Disputes** – Good industrial relations reduce the industrial disputes. Disputes are reflections of the failure of basic human urges or motivations to secure adequate satisfaction or expression which are fully cured by good industrial relations. Strikes, lockouts, go-slow tactics, gherao and grievances are some of the reflections of industrial unrest which do not spring up in an atmosphere of industrial peace. It helps promoting co-operation and increasing production.

□ **High morale** – Good industrial relations improve the morale of the employees. Employees work with great zeal with the feeling in mind that the interest of employer and employees is one and the same, i.e. to increase production. Every worker feels that he is a co-owner of the gains of industry. The employer in his turn must realize that the gains of industry are not for him alone but they should be shared equally and generously with his workers. In other words, complete unity of thought and action is the main achievement of industrial peace. It increases the place of workers in the society and their ego is satisfied. It naturally affects production because mighty co-operative efforts alone can produce great results.

□ **Mental Revolution** – The main object of industrial relation is a complete mental revolution of workers and employees. The industrial peace lies ultimately in a transformed outlook on the part of both. It is the business of

leadership in the ranks of workers, employees and Government to work out a new relationship in consonance with a spirit of true democracy. Both should think themselves as partners of the industry and the role of workers in such a partnership should be recognized. On the other hand, workers must recognize employer's authority. It will naturally have impact on production because they recognize the interest of each other.

□ **Reduced Wastage** – Good industrial relations are maintained on the basis of cooperation and recognition of each other. It will help increase production. Wastages of man, material and machines are reduced to the minimum and thus national interest is protected.

Thus, it is evident that good [industrial relations](#) is the basis of higher production with minimum cost and higher profits. It also results in increased efficiency of workers. New and new projects may be introduced for the welfare of the workers and to promote the morale of the people at work. An economy organized for planned production and distribution, aiming at the realization of social justice and welfare of the mass can function effectively only in an atmosphere of industrial peace. If the twin objectives of rapid national development and increased social justice are to be achieved in the Globalization era, there must be harmonious relationship between management and labor.

Labour Reforms' Pre- conditions

There is a strong clarion call from India's strongest and influential quarters– the CII on the need to update the labour laws in vogue. One of the chief reasons given for the need for labour reforms is that many of the labour laws are quite irrelevant and do not reflect the requirements of the day. It must be admitted that there is much substance in this argument. The Industrial Disputes Act, the Trade Unions Act, among many others was authored in a time period when concepts like liberalization, globalization or privatization were not even fully understood, let alone practiced. A casual glance at the years in which these legislations came into existence, makes one wonder why there has been a complete neglect in updating these important legislations. True, there have been some attempts to bolster up the weaker sections of these legislations by various amendments from time to time. But, that cannot be construed as good enough. Before going on to the issue of Labour reforms, one has to take stock of

the recent developments in the industrial world. The developments are truly stupendous and mind boggling. Technology, business models, the size of business, the complexities of a global market, governmental requirements, the society as a stake holder are all challenges the modern industry has to contend with.

Therefore, there is much justification on the part of the industry leaders asking for "legitimate space" to operate. All systems that need to be developed and put in place have got to be done without any further delay. Definitely, labour reforms is one issue that needs urgent attention. As we discuss this issue, comes in the news that in 2050 India will overtake Developed Nations. 2050 is not really that far off and the question is - are we prepared for this quantum leap? It is now sufficiently established that there is a legitimate need for all round reforms – especially in the area of labour reforms. But, one has to proceed with caution in understanding what impact these labour reforms are expected to have. There is an unfortunate tendency to copy anything western, especially American

when it comes to labour management. In business schools, young managers are briefed about the 'bold' move of AT&T in terminating the services of employees by the thousands, on one single day. What is conveniently forgotten is that 'May Day' and the accompanying legitimacy for worker rights came from these countries. It is also unfortunately forgotten that these countries have more stringent labour laws than many socialist countries – case in point, the minimum wages that are in vogue, the social security systems in place, etc. The more glaring mistake is in not understanding the differences in socio economic conditions that prevail in India and the other 'model countries'. If today, the developed countries have given their industry leaders so much space, it is after having ensured that the social fabric is strong enough to support the vagaries, uncertainties and imponderables of development. By no stretch of imagination can we term India ready for these sweeping changes. Every step forward will have to factor in the unique conditions that prevail in this vastly diverse and complex country. There is no need to go into the micro details of the labour reforms. What, however, is required is a detailed discussion on the impact of the intended labour reforms and then decide on what reforms are appropriate for our economy. Agreed, we need reforms. But every reform should make the playing field more even for all the players. Lame and unsustainable arguments of profits, economics or sustainability cannot justify fleecing the labour force. There are enough case studies to prove the death of organizations is more due to poor management rather than labour unrest. The only litmus test needed to accept the merit of the intended reforms is - does it compromise on the welfare of employees? The resultant answer would determine the need for such reforms. There is already a great share of controversies that need to be resolved before deciding on

adding a few more to the inglorious list. Take for example; the ILO recognizes the right of employees to organize themselves and to even strike work.

The way forward could be by judiciously adopting the following steps:

1. **Change in perception:** that is the immediate requirement of the day. Of course, the first initiative has to come from the industry. Talking to HR managers across the country, one is amazed at the rigid picture that they have etched in their minds about the role of trade unions and unionists. True, there is a lot of sense and truth in their argument. But that is the challenge! Doing away with trade unions is not the answer, because that would go against natural justice. Even if one can imagine, a situation where there are no trade unions and no protective legislations, can we let the fate of an entire labour force hang on the fickle thread of hope that the industry would treat its employees fairly? What is the guarantee that this system of implicit and explicit faith would not be mismanaged by the industry? Enron, Union Carbide, etc are names and images that cannot be conjured away easily. What is sauce for the goose is necessarily sauce for the gander. The change in mindset has to come in terms of extending the trust radius to include employees in the main stream activities of the organization and simultaneously, engaging in serious confidence building measures like promoting transparency, equity and a sense of fair play.

2. **Educate the workforce:** Having acknowledged the workforce as equal partners, it is imperative that they be educated on the emerging requirements of coexistence. A quick look at the emerging software and IT industry reveals the low level of unionization present there. The education did not take place inside a class room; rather it is seen in the tangible benefits enjoyed by the knowledge worker. However, different methods needs to be adopted for different industries and workforces.

3. **Float the idea:** The idea of reforms can mean different things to different people. The industry, simply for the reason it initiated this debate, will have to clarify what it expects from these reforms. It has to necessarily spell out the positive and negative outcomes that the workforce can expect from these intended reforms.

4. **Invest in the future:** the journey is going to be long and hard. Labour Reforms is not an easy task. The first 'go ahead' has to come from the labour force itself. Convincing them of the need for reforms is the first step. Gaining their confidence and acceptance comes gradually and in small increments (considering the less than conducive relationship prevailing). Initial failures should not derail the process. Much needs to be invested in terms of goodwill gestures, tangible benefits, safety networks, etc before any significant improvements can be expected. Until then, patience and perseverance should be the guiding principles.

To conclude, every reform envisioned should aim at inclusive growth. That is the need of the hour for a resurgent and resilient Indian economy. We have enough examples to learn from around the world on how such inclusive growth can be ensured. Let us take up the right models.

The Determinant of Industrial Relations

It is true that industrial relations can perform a number of functions and their scope and effects can be wide spreads and far reaching. Good industrial relations, not only maintain cordial atmosphere in the industry, but also facilitate production and industrial growth. They also safeguard the rights of the workers and the prestige and interest of the management. The three parties who are primarily concerned with industrial relations and whose interaction will determine the shape of industrial relations are the employers of the management, the workmen and their trade unions and the Government. Good labor- management relations depend on employers and trade unions being able to deal with their mutual problems freely, independently and responsibly. The trade unions and employers and their organizations are desirous of resolving their problems through collective bargaining though in resolving such problems the assistance of appropriate government agencies might be necessary in public interest. Collective bargaining, therefore, is the corner stone of good relations and hence, the legislative framework of industrial relation should aid the maximum use of the process of mutual accommodation. The workers' and employers' organizations should be desirous of associating with the government agencies in consideration of general, social and economic measures affecting employers' and workers' relation. It cannot be ignored that the governments make certain possible efforts to establish an effective and universal labor management relations in India. An analysis of the roles played by the management, the trade unions and the government may reveal how their interactions influence industrial relations and what are the factors which cause impediments in the maintenance of cordial industrial relations.(5)

The Role of Management

For peaceful industrial relations, it is primarily essential that a management should have progressive outlook and democratic approach. Autocratic approaches, rigid and prestigious attitude on the part of the management and fragmentation have been the fundamental causes of most of the industrial strife. In many cases the role management has led to serious industrial unrest. Many employers are still reluctant to recognize the role of employees as partners in a common endeavour, rather they have developed a superiority complex and consider it below their dignity to sit around the conference table and discuss to settle the disputes with the people whose hands and clothes are soiled, bearing the mark of their hard labor. Even genuine disputes are not settled in a spirit of accommodation but dilatory tactics are employed to keep settlement in abeyance through the delays in the process of conciliation, adjudication and writs to courts leading to the resentment amongst the workers.

Even when collective bargaining is resorted to for settlement of disputes, the representatives of the management are not vested with adequate authority to decide the demands at the bargaining table, making the whole process a farce and causing a credibility gap in the minds of the workers. Many management have not instituted a regular procedure for redressal of grievances arising out day to day matters with the results that minor irritants continue to pile up the entire work environment. Many management are totally oblivious to the basic human needs to the workers and their aspirations, their need for security, provision of basic amenities, prospects for career growth recognition of good work etc, leading to an estrangement between the workers and the employers. Thus, progressive outlook and democratic approach towards workers are needed for cordial relations and this can play vital role in maintaining industrial peace.

The Role of Trade Unions

It has been noted that despite some of its similarities with other organizations, a trade union is different in its own way, in terms of internal organizational dynamics. The uniqueness of trade unions seems to rest on the fact that although they are formed by workers, they themselves pose a threat to their very survival. No other organization seems to suffer from this paradox. (6) The fact that democracy is a key input for union organization and that it finds a ready place in relatively small unions because of active membership participation, need not, however, encourage one to advocate that small unions be operated in industry. Having too many small unions has its obvious limitations. Fragmented trade union movement in the country is an important factor which gives rise to many industrial strifes in the country. The multiplicity of trade unions with different political ideologies and inter and intra union rivalries have vitiated the work environment with each union vying with the other for the predominant place in the industrial establishment. The problems of multiplicity of unions at both the plant and the industry levels have posed a serious threat to the maintenance of industrial peace and harmony in India.

In India, the prevalence of outside leadership, the apathetic and non-committed rank and file, the existing loopholes in labor legislation and the national trade unions altogether different political ideology and orientation, are acting together as major forces to boost up the numerical growth of Indian trade unions. The mushroom growth and multiplicity of trade unions are attributable to the provision of the Trade Union Act, 1926, whereby any seven persons in an organization can form a trade union and raise industrial disputes. The above factor is further compounded by the affiliation of the various trade unions of different political parties with each politician trying to carve out an important place for occupying a position of influence for him. Quite often the management becomes the worst victim of these feuding trade unions and their vested interest. In recent years a new development has appeared on the horizon of trade unions and that is the growth of many parochial unions along linguistic, regional and individualistic lines, vitiating the entire socio-economic and industrial atmosphere. Lack of education and leadership among the workmen leads to vesting leadership of trade unions in the hands of persons who are aliens to the industry and the role of such leadership has generally been detrimental to harmonious industrial relations despite the fact that the Government is spending immense amount of money on workers education. It can undoubtedly be realized that trade unionism has a constructive role to play in the industrial relations scene of the world. We cannot ignore the role of trade unions in industrial harmony.

The Role of Government

The pattern of labor- management relations in India has increasingly been structured by the government. "In India the Government has been playing, particularly after Independence, a comprehensive and dominant role in shaping the pattern of industrial relations"(7)

The difficulties in developing a committed industrial labor force, the rivalries and weaknesses of the Indian trade union movement, the failure of many Indian and foreign employers to deal fairly with workers or constructively with trade unions, and the resultant labor discontent and strife have encouraged government intervention in order to contain, channel and redirect incipient and actual labor protest. Increasingly, planning objectives for rapid economic development have been given priority and the pattern of labor management relations has been expected to conform these objectives. Government was not always so active in guiding labor management relations in India. Before Independence, or at last before the war, the role of the government was passive, as it will be seen in a brief examination of labor legislation prior to 1947. But, faced with the problems of a new nation and post-war labor unrest, government became an active intervener with passage of number of new laws, beginning with the Industrial Dispute Act of 1947.

In the mixed economy we have in this country, the state has now emerged as a big employer. One significant aspect of its role is to evolve norms or standards through tripartite forums to act as guidelines for shaping industrial relations. The Government also accepts the responsibility of ensuring conformity to these norms through the administrative and judicial machinery. This is a direct form of intervention, for the state enacts legislation and also assumes the responsibility of implementing substantive and procedural laws.

The Government's industrial relations policy is part of its broader labor policy, which has been stated by the National Commission on Labor in terms of its main postulates. The main tenets of the policy are: Primacy to the maintenance of industrial peace ; Encouragement of mutual settlement, collective bargaining and voluntary arbitration; Recognition of the worker's right to peaceful direct action, i.e. strike; and Tripartite consultation.

The State intervention primarily aims at preserving industrial peace and has, therefore, focused attention on (1) the avoidance of industrial disputes and (2) an expeditious settlement of industrial disputes when they do arise. The State has done little in India about the positive aspects of labor relations, such as encouraging the growth of strong and effective trade union movement by providing for trade union recognition, by promoting a stable relationship between the parties by fostering the growth of collective bargaining. Though its policy pronouncements, considerable importance is assigned by the Government to building up of a stable bipartite relationship between the management and the labor, the machinery for settling industrial disputes by the Government intervention is often pressed into action in preference to the method of bipartite negotiations and collective bargaining. Only about 25 percent to 28 percent of the disputes are resolved through mutual settlement.

The adjudication and the other regulative aspects of the role of Government continue to form the core of industrial relations in India. Although compulsory adjudication and extensive public regulation of labor management relations constitute the corner- stone of the Indian industrial relations system, it is clear that the government authorities place great deal of importance on the development of stable bipartite relationships between the labor and the management. Inevitably the progress is slow, and this justifies the additional steps to train and to improve the quality of unions and managements. (8)

Thus, The Government can enact legislation to curb the menace of industrial disputes in India or elsewhere.

Industrial Relations in Public Sector

After Independence, India adopted mixed economy, which consists of Private and Public Sector. The industrial policy has laid emphasis on optimum utilization of installed capacity and expansion of industries as part of a wider strategy for the revival of the industrial economy. The development of Public Sector has been one of the main objectives of priority in our industrial policy.

In India, even today an era of privatization, Public Sector has been playing a very significant role in the development of basic industries. Before 1991 in India, the Railways, Post and Telegraph, Air Transport, Banking, Insurance and many basic industries were in Public Sector and in its monopoly. Thus, before 1991, the Public Sector was the largest employer in India and Private Sector employed only a little percent of labor force in India.

CENTRAL PUBLIC SECTOR ENTERPRISES in India

There were 242 Central Public Sector Enterprises (CPSEs) under the administrative control of various Ministries/ Departments as on 31.3.2008. The cumulative investment (paid-up capital plus long terms loans) in all the CPSEs stood at Rs. 4,55,409 crore as on 31.3.2008. The largest share in this investment belonged to the service sector (40.40 per cent) followed by electricity (27.95 per cent), manufacturing (22.23 per cent), mining sector (8.83 per cent) and agriculture (0.04 per cent). The remaining 0.55 per cent belonged to CPSEs under construction. While 'investment' in all the CPSEs grew by 8.31 per cent in 2007-08 over 2006-07, capital employed" in all the CPSEs went up by 15.63 per cent during the same period (Table 8.19). A great deal of investment in CPSEs is being made through internal resources rather than through investment from out side.

Diagrame:1 Pie Diagram of cumulative investment (paid-up capital plus long terms loans) in the Public Sector as on 31.3.2008 done By the Government of India
(Source: Economic Survey-2008-09)

To provide level playing field with the private corporate sector, the Government has delegated enhanced financial and operational powers to the Navratna, Miniratna and other profit making CPSEs. National Aluminium Company Limited (NALCO), National Mineral Development Corporation Limited (NMDC), Power Grid Corporation of India Limited (PGCIL), Rural Electrification Corporation (REC), Coal India Limited (CIL) and the Shipping Corporation of India Limited (SCI) have been granted Navratna status in 2007-08 raising the total number of Navratna companies to 18. Eight more CPSEs, namely, the Airports Authority of India, Broadcast Engineering Consultants of India Limited, Cochin Shipyard Limited, Hindustan Copper Limited, Indian Railway Catering and Tourism Corporation Limited, Mishra Dhatu Nigam Limited, National Hydroelectric Power Corporation Limited and Satluj Jal Vidyut Nigam Limited have been granted Miniratna status, raising the total number of Miniratna CPSEs to 56. (9) The Public Sector had employed 54.65 percent of the total labor force in India in the year 1961 which had marked growth to about 70 percent in 1985. It is however a well known fact that private sector employed only a little percent of labor force in India before 1991. The major share of the public sector employment is in the "services", 81.49 in 1985 following transport and communication, 29.07 and the third comes, manufacturing 17.60. While Service forms the major share of employment in the Public Sector, manufacturing is the most potential area of employment in the private sector in India. This is, perhaps, the major deviation of employment in the public sector compared to the private sector. Materially the industrial relations pattern may reveal a little deviation in the public sector.

Disputes in India Before 1990

The Table 1.1 indicates the number of disputes, man days lost and value of production lost in public sector and private sector. The table analyses the number of disputes to be found more in private sector than that in public sector. But there was increasing trend of disputes in public sector after 1976 than the private sector. The value of production lost and man days lost also indicate the same trend i.e. increasing trend. Thus, comparatively the public sector has greater cordial industrial relations than that of private sector.

Table 1.1 The Number of Disputes, Man days Lost And Value of Production Lost

Year	No. of Disputes		Man Days Lost		Wage Lost (Rs. in Crores)		Value of Production (Rs. in Crores)	
	Public Sector	Private Sector	Public Sector	Private Sector	Public Sector	Private Sector	Public Sector	Private Sector
1976	153	1306	872	11874	0.70	11.63	4.00	88.31
1977	663	2454	4471	20849	4.56	17.24	35.42	249.06

1978	947	2240	4348	23992	5.69	19.21	48.02	237.30
1979	1071	1977	7655	36198	10.15	35.99	58.54	384.48
1980	968	1888	4134	17791	6.52	21.04	33.04	264.10
1981	707	1882	10006	26517	25.86	20.97	337.52	291.24
1982	799	1684	10360	64254	7.60	25.65	74.48	349.69
1983	884	1604	4453	42406	7.22	42.83	31.95	398.12
1984	592	1502	7871	48154	18.02	49.18	56.40	471.66
1985	401	1354	3202	26037	4.84	31.56	29.06	345.46
1986	389	1503	2572	30176	6.11	39.20	40.06	783.52
1987	422	1357	5237	30121	10.26	43.62	108.25	531.43
1988	564	1181	6633	27314	15.46	46.49	71.62	622.62
1989	361	659	2937	12244	14.15	10.56	65.04	218.43

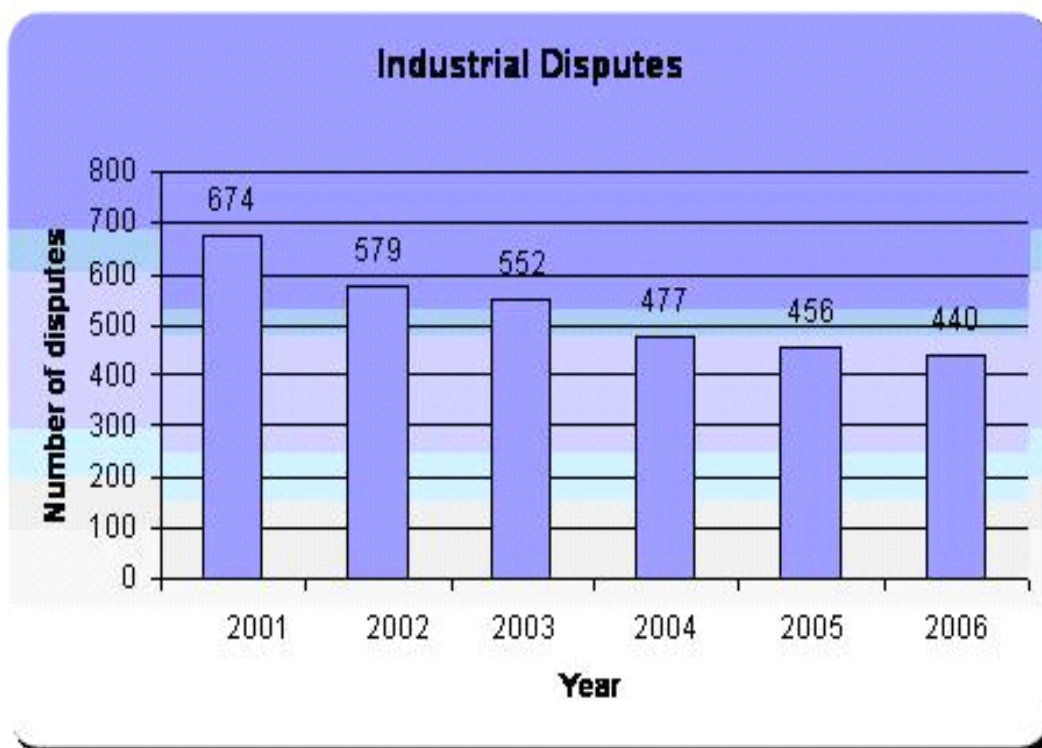
Source: Indian Labour Year Books and Economic Survey 1991-92

On the basis of above table we can conclude that private sector has more industrial disputes than public sector before 1990. Even though Man days Lost in public sector were not very conspicuous as compared with the same in private sector, productivity has been lesser in many of the public sector units as compared to private sector. In fact, many of the public sector enterprises have been running in loss. Besides Man Days lost there are certain other variables that affect the production potentialities in the public sector. In fine, industrial disputes take a peculiar shape in the public sector. Rather than resorting to direct strike, trade unions in public sector adopt certain other strategies like, “go slow”, “tool down”, “pen down”, “work to rule” and so on. Which do not affect the formal attendance but actual productivity suffers. In the private sector trade unions resort to direct action like strike than go slow, tool down etc. Thus, Industrial Relations in Public Sector Units are peaceful. National Commission on Labour observed, “It is equally necessary to caution that the public sector can not reach the position required of it by the effort of management alone. There has to be responsible cooperation from labor as well. If a model employer is the obvious side of a coin, the “model worker” is its reverse. One cannot exist without the other”.⁽¹⁰⁾ Thus, the labor force are equally responsible for mutual cordial industrial relations and, they should continue to cooperate with the management for the betterment of industrial health and the affluence of our national economy. It will be finally accepted that a harmonious relationship between the management and the workers will go a long way in bringing about a better climate for the functioning of industries in India. This will also save a lot of waste in this field caused through disharmony between the management and the labor.

Disputes in India after Globalization Policy

The number of industrial disputes in country has shown slow but steady fall over the past ten years. In 1998, the total number of disputes was 1097 which fell by more than half to 440 in 2006. It is being estimated that this trend will continue in 2007 as well. To support this, only 45 cases of disputes have been recorded during the first four months of 2007. This significant decline is attributed to the serious attempts made by industries to improve [industrial relations](#) with their workers. However, a deeper look at the data reveals that the number of mandays (i.e., the industrial unit of production equal to the work one person can produce in a day) lost due to disputes has not come down as significantly. The country, on an average, lost 25.4 million mandays of work annually between 1998 and 2006, which might have affected its industrial output.

More than 2.14 lakh man days were lost due to work stoppages in 23 industrial disputes during January to March 2007. Though there has been a decline in the number of strikes, the country still witnessed some major strikes between 2004 and 2006, like those in Honda, Escorts, Apollo, and Skumars factories and in SBI bank.



Source: industrialrelations.naukrihub.com

Table 1.2 Comparative Study of Industrial Disputes in Public and Private Sector

Sectors	2003	2004	2005
Public Sector			
No. of disputes	59	49	57
Workers involved ('000)	1099	1590	2039
Mandays lost ('000)	6856	1806	2322
Wages lost (Rs. in crores)	39.35	82.52	79.09
	-47	-41	-44
Value of Production loss (Rs. in crores)	27.47	36.97	59.8
	-22	-22	-19
Private Sector			
No. of disputes	493	428	399
Workers involved ('000)	717	482	875
Mandays lost ('000)	23400	22061	27343
Wages lost (Rs. in crores)	26.79	25.64	37.02
	-144	-119	-102
Value of Production loss (Rs. in crores)	391.02	318.62	285.28
	-127	-109	-102

Source: industrialrelations.naukrihub.com

On analyzing the data sector wise, it is clear that the private sector has witnessed greater number of disputes as compared to the public sector. In 2005, only 57 disputes were recorded in public sector which resulted in a wage loss of 79 Crores. In contrast to this, 399 disputes were recorded in the private sector. In the recent past, maximum number of disputes has been recorded in the manufacturing, agriculture and mining and quarrying industries.

Conclusion

What is more important, however, is not the absolute number of disputes as such but magnitude thereof as measured by the number of mandays lost. There have been serious causes of industrial disputes in the past in the public sector, involving a large number of workers and a loss of lakhs of mandays. Railways, Air India, Post and Telegraph, Steel units and many others have experienced long strikes in the recent past. The major industries which account for considerable loss of man-days in the public sector in India are generally transport and communication, electricity, gas, water, and sanitary services; mining and quarrying; and manufacturing, whereas in the private sector, manufacturing industry alone accounts for about three-fourths of the total mandays lost during a particular year. An analysis of the industrial disputes reveals that the number of formal disputes in public sector is fewer than private sector. It goes to support that wages and personnel reasons have been the most important causes. Other reasons are also equally important such as intra-union rivalries. Thus; Industrial Relations in Public Sector Units are peaceful. For this the management and the workers are equally to be credited. As Prof. J.S.Mathur has rightly pointed out that "Society cannot allow workers and management to follow the law of jungle".(11)

It goes without saying that harmony and cohesion determine the success of an organization. It is true for all times that no organization can function effectively if there are constant strifes and turmoils between the management and the labor. It is impossible to introduce any innovation or effect any productivity improvement exclusively through the various industrial engineering techniques. Looking at Industrial Relations, therefore, from a broader national and economic view point, it is an important pre-requisite for national and economic growth of a country. One of the major problems of a developing country is to increase the per capita income of the population through the rapid industrialization as well as through the improvement in agricultural field. Industrialization will solve unemployment problems in developing countries and will help in achieving a better standard of living.

This survey is aimed at studying the industrial relations in the public sector in India. Several difficulties were noticed in the course of the study regarding the behavior of employers, workers, union leaders and government officials. It never remained lower than 30 per cent, it has shown an increase to 37 per cent in the last decade. 'Personnel' and 'retrenchment' is another cause of industrial disputes, through it has declined from 29 per cent to 25 per cent. The 'bonus' is another cause, under which the disputes, the inter-union rivalry is important though the proportion has come down from 30 to 20. However, it may be noted that the most important cause has been the economic condition.

However, Industrial relations in public sector are cordial comparatively private sector but not very cordial. The reason being:

- (i) Much importance is not assigned to implementation of the various tripartite and other agreements promptly by the management, as it is not a party to these.
- (ii) Though most of the public sector enterprise's bosses are often good administrators but as they have failed as successful business managers with requisite ability and skill in general and personnel manager techniques.
- (iii) Bureaucracy, red-tapism, corruption and evasion of responsibility are also responsible for good labour-management relations.
- (iv) By virtue of political affiliations trade union problems are usually discussed with the respective managements. In such a process, the managements of the units become ineffective and demoralized which affect the personnel and industrial practices of the enterprises.
- (v) The Government interference in these enterprises also fuel to the fire, and the workers become indisciplined.

Suggestions have, therefore, been made here to improve the industrial relations between the management and the labor and to avoid strikes in the public sector as well as in private sector. **The following remedies may be useful in globalization era:**

The Government should not take the recognition back at the time of strike and should come forward for the discussion of the demand.

An effective two way channel of communication should be developed in the undertakings to ensure that workers grievances are communicated to the authorities and that the workers understand properly the causes and purpose of the orders issued by the officers. Though, there is proper down-ward communication in the Public Sector, there is greater need to improve upward communication. This may be effectively done by the introduction of a new suggestion scheme to develop the innovation ideas of the employees in this globalization era.

By delegating authorities to workers and by workers' participation in the management, the problem of low standard of workers and maintenance of discipline can be solved. This will increase efficiency of workers and will create common interest in the work.

Proper social security schemes should be implemented.

To solve the problem of multiplicity of trade unions which exist in many public sector, the management should recognize a majority union as a bargaining agent in the public sector. It must be decided by a proper procedure and with the assistance of labour commissioner.

Mostly disputes arise in the public sector due to wages. This economic cause of dispute can be removed, to a large extent, by enforcing minimum wages and thus ensuring a reasonably decent standard of living for the workers by enacting rules and regulations and enforcing social security measures.

Lastly, it may be suggested that an organization must be innovative and should follow the policy of self renewal and personnel audit in this globalization era. It is earnestly hoped that the management would look into the possibility of introducing the suggested reforms for the betterment of the corporate image of public sector. A single remedy cannot solve the entire problem so, all remedies should be taken into consideration as required by the situation. Further, it should not be forgotten that a labor-management relations would be successful only if it succeeds to ensure the devotion of both the components: the employers and the employees. A harmonious equation between the management and the workers is the backbone of success of an industrial organization. If the employers are imaginative and humane, the employees are bound to respond favorably.

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