

The father of HRM is "George Elton Mayo". It is often credited to an Australian psychologist and sociologist who conducted the Hawthorne studies in the 1930's & 1940's.

* 7 pillars of HR

1. Recruitment and selection.
2. Performance management
3. Training and Development
4. Compensation & Benefits.
5. Succession planning.
6. HR Software & HR Information System
7. Diversity & inclusion

* Founded by HR / Founder of HR

The history of HR traces back to 19th century in Europe, championed by thinkers like Robert Owen and Charles Babbage.

4 pillars of HR

1. Planning
2. Recruitment
3. Development
4. Retention

* The first HR department can be attributed to the "National Cash Register Company", which established a personnel department in the early 20th century.

* "Fayolich" is the father of modern HR, he is being ranked as educator and management guru.

* Old name of HRM is "personnel administrator." in 1920's. It focuses mostly on the aspects of hiring, evaluating and compensating employees.

~~Wkst 1/1/29~~

UNIT-I

Introduction

1. What is Human Resource Management? Explain its Characteristics?

A) Introduction :-

HRM is the set of productive activities within an organisation, that focuses on transforming human begin into useful resources. The activities includes searching ~~right~~ candidate, Identifying their knowledge, skills and attitude towards a specific job, fixing and practicing fair compensation policy, Ensure the safety and comfort in work place, observing the performance of employees, Employee motivation, Effective communication, Administration and training for increasing productivity and efficiency.

Meaning :-

HRM refers to the planning, organising and implementing of productive activities within an organisation that focuses on transforming human ~~being~~ into ~~some~~ useful resources.

Definition :-

According to George dessler human resource management is the policy and practices of one need to carry out the people or human resource aspect of a management position including recruiting, screening, training, rewarding and appraising.

Characteristics :-

1. Human Resource planning :-

It is a process of forecasting an organisations future demand and supply for the right type of people in the right numbers. It is an activity which helps the organisation to know how many employees exist in the organisation and how many are required to perform the current jobs and how many are required to perform the future jobs.

2. Job analysis :-

It is the process of studying and collecting information relating to the operations and responsibilities of a specific job. The immediate products of this analysis are job description and job specification.

3. Recruitment & selection :-

Recruitment is the process of stimulating the candidates to apply for jobs. Selection is a process of identifying the most eligible candidate for a particular job.

4. Orientation & placement :-

Orientation is a socializing process by which the organization seeks to make the employee comfortable at the work place. Placement on the other hand is about matching the requirements of the job with the qualification of the candidate.

5. Training & Development :-

Training is a specific and necessary skills to an employee, in order to perform a particular job or task at present, whereas development of an employee is all about imparting vast knowledge to an employee in order to equip him towards the future jobs.

6. Performance Appraisal and job Evaluation :-

→ It is the systematic evaluation of the individual with respect to his performance on the job and his potential for development.

→ Job evaluation is a systematic technique, which aims at determining the worth of a job.

7. Employee and executive remuneration :-

Remuneration is a wage or salary or any other compensation paid to employee for the service rendered to the organization.

8. Motivation & communication :-

Motivation is a process of channelizing a person's inner drives, towards accomplishing the goals of an organization.

Communication is the process of transmission of ideas, orders or instructions to the recipient, so that there is an understanding.

understanding between Sender & receiver.

9. Better Industrial Relations:-

In this relations which arise arise at the work place, for example .

Relationship between the employer and employee and between the employee and employee. hence IR is more concerned with towards maintaining cordial relationship between the groups

② what is human Resource management ? Explain its nature and scope .

① HRM involves Resource the strategic approach to managing people within an organisation. The nature of HRM is multifaceted and Encompasses various aspects including the acquisition , development , motivation and retention of employees . It serves as a bridge between the organisations goals and the need of its work force aiming to create a balance . the maximize productivity while ensuring employee satisfaction and development .

Nature :-

1. strategic function :-

HRM plays a important in aligning HR strategies with overall organisational goals . It is integral to achieving long term objectives such as growth efficiency and adaptability to market changes .

2. people -centric :-

HRM focuses on individuals as valuable assets . It emphasizes understanding supporting and managing people to foster of positive work environment that natures both individual and organisational success .

3. Continuous process :-

HRM is a dynamic and on going function it requires constant monitoring feedback and adjustment to adapt to internal changes and external pressures (laws).

4. Development oriented :-

HRM is concerned with developing the skills and capabilities of employees through training professional development and career progression this focuses on growth benefits both employees and the organisation by enhancing competencies and promoting career fulfillment.

5. Comprehensive and integrated :-

HRM is not limited to recruitment and hiring it integrates various functions like performance management employee relations benefits administration and legal compliances to manage the entire employee life cycle.

6. Employee Well-Being :-

Modern HRM plays importance on employee well fare, aiming to improve work life balance, foster a healthy work place culture and address individual needs, ultimately contributing to higher job satisfaction and moral.

Scope :-

The purpose of HRM right from the man power needs assessment to management and retention of the same. To this effect HRM is responsible for effective designing and implementation of various policies, procedures and programs, It is all about developing and managing knowledge, skills, creativity attitude and talent using them optimally. HRM is not just limited to manage human intellect it also focuses on managing physical and emotional capital of employees. The scope of HRM is widening with every passing day.

it covers planning, hiring, training and development, pay management, rewards and recognition, grievances handling, legal procedures etc....

1. HRM in personnel Management :-

This is direct man power management. that involves man power planning, hiring, training and development, induction and orientation programs, transfer, promotion, compensation, layoff and retrenchment etc... It also includes: performance appraisal, developing new skills, training policies etc...

2. HRM in Employee Welfare :-

This particular aspect of HRM deals with working conditions and amenities and workplace. This includes responsibilities and services such as safety services, health services, social security and medical services. It also covers support by top management ventilation and lighting and sanitation, medical camp, sickness benefits, injury benefits, maternity benefits etc...

3. HRM in Industrial Relations :-

It is a highly sensitive area, It needs careful interactions with labour or employee unions, addressing their grievances and settling the disputes effectively in order to maintain peace and harmony in the organisation. It is the understanding of employee relations, job consultation, solving problems with mutual efforts, understanding human behavior, work relations and settlement of disputes etc...

Q) Explain the objectives of HRM?

The objectives of HRM is the study of activities regarding people working in an organisation. The objectives can be classified under four categories.

1. Organisational Objectives :-

The main objective of HRM is to

achieve organisational goals by bringing organisational effectiveness. It is not an end but it is a means to assist the organisation in order to attain its objectives.

- A) To increase employee job satisfaction
- B) To Develop and maintain a quality of work life.
- C) To helps in achievement of organisational goals.
- D) To facilitate quality performance.
- E) To promote employee discipline & moral.
- F) To Enhance organisational productivity.

2. Functional objectives :-

Functional objective of HRM deals with contributions of each department regarding their need and effectiveness in order to attain organisational goals. All the resources or skills get wasted, if HRM is not able to fulfil up with the organisational demand.

3. Personal objectives :-

HRM also deals with personal objectives of individuals it can be met or order to achieve maximum production and attain competitive advantage. These personal objectives are important in order to attain maintain and to motivate employees. If this is not done employee dissatisfaction and poor performance will results in low productivity.

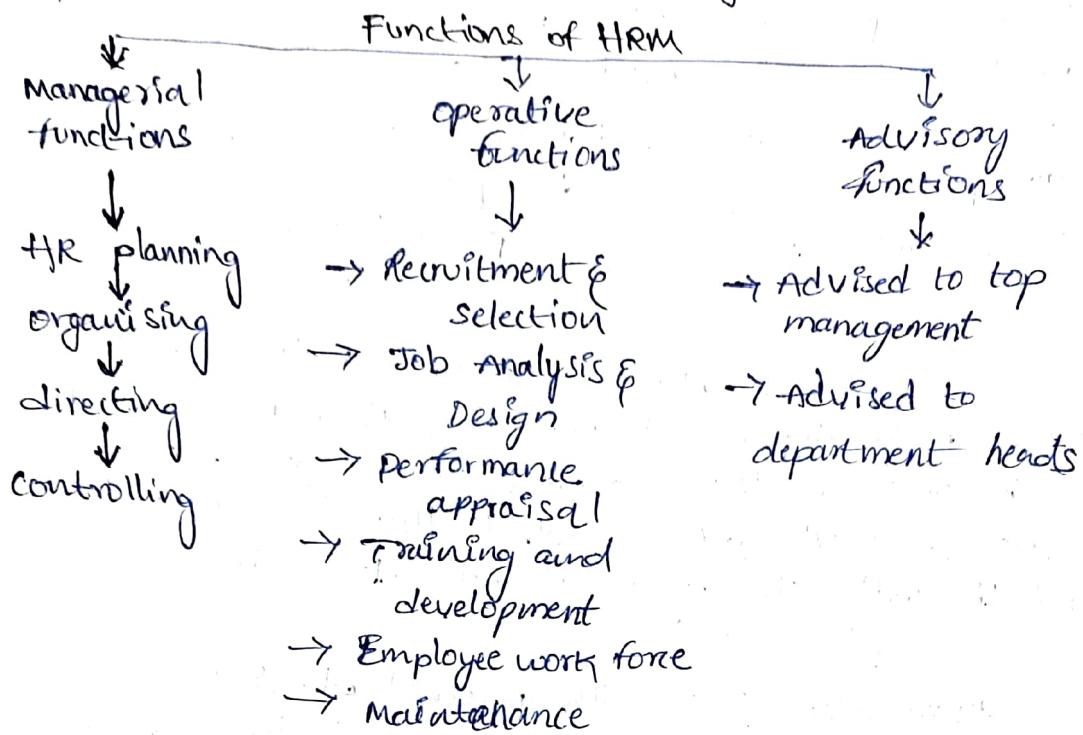
4. Societal objectives :-

HRM may contribute ethically and socially regarding the needs and challenges emerging in the society. If an organisation fails to use its resources for society benefits in ethical ways it may leads to restriction by society. It promotes integrity and social responsibility.

Q) Define Human Resource Management and Explain its functions?

A) HRM is a management function it concerned with hiring, motivating and maintaining work force in an organisation. HRM deals with issues related to employees such as hiring,

training and development, compensation, motivation, communication and administration. HRM ensures satisfaction of employees and maximum contribution of employees to the achievement of organisational objectives.



I managerial functions:-

1. HR planning:-

In this function of HRM the number and type of employee needed to accomplish organisational goals is determined. Research is an important part of this function, information is collected and analysed to identify current and future human resource need and to forecast changing values, Attitudes and behaviour of employee their impact on organisation.

2. Organising:-

In an organisation tasks are allocated among its members, Relationships are identified and activities are integrated for towards a common objective so that they can collectively contribute the attainment of organisational goals.

3. Directing:-

Activating employees at different levels

and making them to contribute maximum to the organisation is possible through proper direction and motivation. Taping the maximum potentialities of the employees is possible through motivation and command.

4. Controlling :-

After planning, organising and directing the actual performance of employees is checked, verified and compared with the plans. If the actual performance is found deviated from the plan, control measures are required to be taken.

II Operative functions :-

1. Recruitment & Selection :-

Recruitment and selection of candidates is the function preceding the selection which brings the pool of prospective candidates for the organisation. so that the management can select the right candidate from this pool.

2. Job Analysis & Design :-

Job Analysis is the process of describing the nature of a job and specifying the human requirements like qualification, skill and work experience to perform that job.

~~Job design aims at outlining and organising tasks, duties and responsibilities into a single unit of work for the achievement of certain objectives.~~

3. Performance appraisal :-

Human resource professionals are required to perform this function, to ensure that the performance of the employee is at acceptable level.

4. Training & Development :-

This function of HRM helps the employees to acquire skills and knowledge to perform their jobs effectively. Training and development programs are

organised for both new and existing employees. Employees are prepared for higher level responsibilities through training and development.

5. Employee workforce :-

This function refers to various services, benefits and facilities that are provided to employees for their well-being.

6. Maintenance :-

HR is considered as asset for the organisation, employee turnover is not considered good for the organisation. HRM always tries to keep their best performing employees with the organisation.

III. Advisory Functions :-

HRM is Expert in managing human Resources and so can give advise on matters related to Human Resource of the organisation.

1. Advised to top Management :-

Personnel manager advises the top management in formulation and evaluation of personnel programs, policies and procedures.

2. Advised to Department heads :-

Personnel manager advises the heads of various departments on matters such as Man power planning, Job Analysis, Job design, recruitment, selection, training, placement, performance appraisal

⑤ What is the role of an HR Manager in an Organisation?

A) The Role of an HR Manager in an organisation is multifaceted, encompassing various responsibilities aimed at managing and maximizing the

Potential of work force. The HR manager plays a important role in organisational success.

- HR strategies align with overall business objectives contributing to organisational success.
- It facilitates learning opportunities to enhance skills & knowledge
- To design and administer competitive pay compensation packages to attract and retain talent.
- To establish systems for goal setting, feedback and performance appraisals.
- To promote a diverse and inclusive work place, valuing differences among employees.
- To manage relationships, address concerns, foster a positive work environment.
- To utilize technology efficiency, HR process including payroll and talent management.
- To prioritize the well being of employees for key roles through wellness programs and support initiatives.
- To negotiate with labour unions, addressing concerns for a harmonious work place.

The HR manager serves as a strategic plan to overseeing various functions crucial to organisational success.

Q) Explain the importance of HRM?

A) The importance of HRM must be viewed through strategic, overall goals for the organisation based on a micro-approach

1. Objective:-

HRM helps a company to achieve its objective from time to time by creating a positive attitude among workers, Reducing wastage and making maximum

use of resources etc..

2. Facilitates professional growth:-

due to proper HR policies, employees are trained well and this makes them ready for future promotions. their talent can be utilized not only the company in which they are currently working but also other companies in which the employees may join in the future.

3. Improves the Economy:-

Effective human resource practices leads to higher profits and better performance by companies due to this the company achieves a chance to enter into new business and start new venture, This industrial development increases and the economy improves.

4. Better Relations between Union and Management:-

Healthy HRM practices can help the organisation to maintain co-ordinal relationship with the unions. Union members start realizing that the company is also interested in the workers and will not go against them therefore chances of going on strikes are reduced.

5. Allocating the jobs to the right person:-

If proper recruitment and selection methods are followed, the company will be able to select the right people for the right job. When this happens the number of people leaving the job will reduce as they will be satisfied with their job leading to decrease in labour turn over.

Gf
24/11/25

Date
25/1/25

Unit II:-

PROCUREMENT AND DEVELOPMENT FUNCTIONS

Q1 what is meant by HR planning? Explain its objectives?

A) Introduction:-

Human resource planning is a practice that identifies current and future human resources needs for an organisation to accomplish its objectives. This is a strategy for planning, forecasting the need for labour and supply for labour, then planning the programs necessary to ensure that the organisation.

Meaning:-

Human resource planning is a practice of identifying current and future human resources needs for an organisation to accomplish its objectives. This is a strategy for the acquisition, utilization, improvement and preservation of enterprise human resources. This is a plan of action formulated to meet the future human resource needs of an organisation.

Definition:-

According to Reilly P - "Human Resource planning is the process in which an organisation attempts to estimate the demand for labour and evaluate the size, nature and source of supply, which will be required to meet the demand."

Objectives:-

- To identify the skills required in future.
- To ensure the controlling of wage and salary cost.
- To review the human resource needs for future and making plans for recruitment and selection.
- To determine the training and development needs for the organisation.
- To anticipate surplus or shortage of staff and avoiding unnecessary ~~Dismissals~~ Dismissals and detentions.

- To ensure optimum use of human resource in the organization.
- To ensure career planning of all the employees.
- To consider the higher labour productivity.

② Explain the significance (or) importance of HR planning?

a)

1. HR planning is important to create highly talented personnel :-

HR planning helps to prevent shortages of labour caused by attrition. further technology changes would upgrade or degrade jobs and create man power shortages in the situations, only accurate HR planning can help to meet the HR requirements.

2. Protection of weaker section :-

A well conceived personnel planning is also helps to protect the interests of the SC/ST/physically handicapped children of socially oppressed and backward classes, who enjoy a certain percentage of employments not with standing the constitutional provisions of equal opportunities for all.

3. Forecast future personnel needs :-

To avoid the situation of surplus or deficiency of man power in future. It is important to plan man power in advance for this purpose a proper forecasting of future business needs helps to ascertain our future man power needs. It is important to predict the right size of manpower in the organizations.

4. International Requirements :-

International expansion strategies largely depends upon the effective HR planning. HR planning further becomes important as the need to integrate more closely into the organisation. This is

also the process of meeting staffing needs, from foreign countries grows in a complex manner.

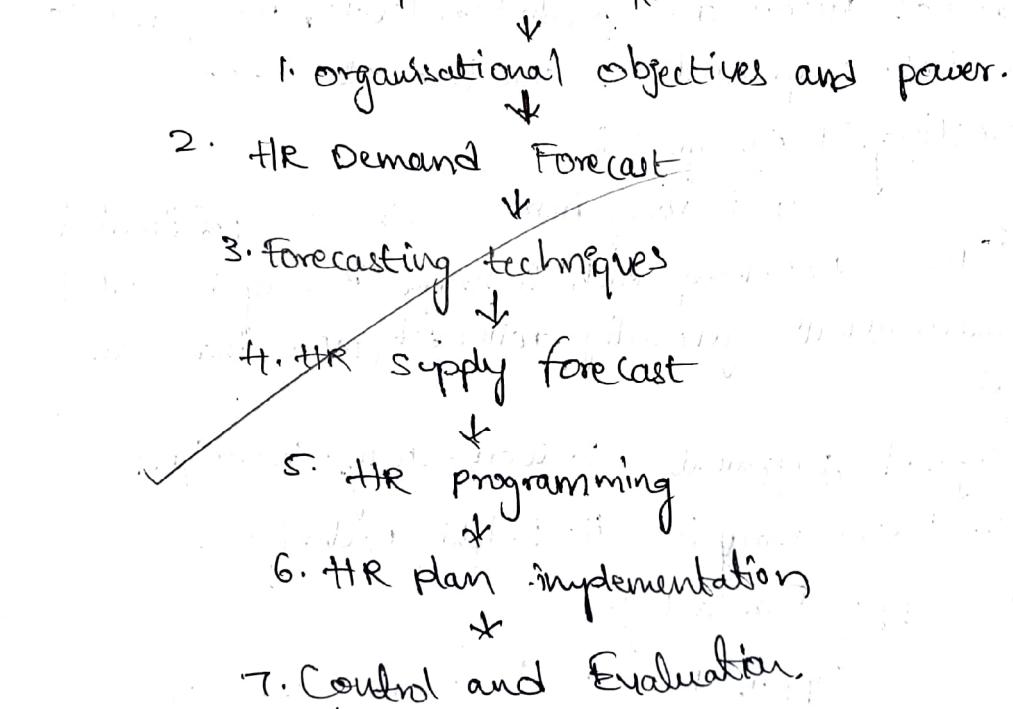
5. HR planning helps to increase investments in HR:-

Another important investment that an organisation makes in human capital. It is important that employees are used effectively throughout their career, because human assets can increase the organisation value tremendously as opposed to physical assets.

③ Explain the concept of HR planning and its process/ what are the steps involved in HR planning?

Human Resource planning in the past was typically reactive with business needs, with the expansion of business adoption of complex technical and professional management, the process of HRP has now become proactive and assumed a greater significance.

process of HRP



1. Organisational objectives and power:-

In this implies that the objectives of a HRP must be derived from organisational objectives. Specific requirements in terms of numbers and characteristics of the employees should be derived from the organisational objectives. The human

resource department must specifies its objectives with regard to human resource utilization in the organization.

2. HR Demand Forecast :-

Demand forecasting is the process of estimating the future quantity and quality of people required. The basis of forecast must be the annual budget and long term corporate plan, translated into activity level for each function and department. In a manufacturing company the sales budget would be translated into production plan, giving the number and type of products to be produced in each period.

Demand forecasting must consider both external and internal factors.

External factors are Competition, Economic Climate ~~to~~ laws, Technology and social factors.

Internal factors are production levels, new products and services, organization structure etc....

3. Forecasting Techniques :-

It is very from simple to sophisticated ones before describing each technique it may be stated that organisations generally followed more than one technique

- 1. Managerial judgement 3. Work study techniques
- 2. Ratio-trend analysis 4. Delphi technique.

4. HR Supply Forecast ;

Supply forecast determines whether the HR department will be able to procure the required number of workers. Supply forecast measures the no. of people likely to be available from within and outside an organisation. After making allowance for absences, internal movements and promotions, wastage and changes in

hours and other conditions of work.

5. HR Programming:-

Once's an organisation personnel demand and supply are forecasted the demand and supply need to be balanced in order that the vacancies can be filled by the right employees at the right time.

6. HR plan Implementation:-

HR implementation requires converting an HR plan into action. A series of actions are initiated as a part of HR plan implementation, programs such as recruitment selection and placement, training and development, re-training and redeployment, retention, succession plan etc.... when clubbed together.

7. Control and Evaluation:-

It represents the final phase of the HRP process. All HR plan includes budgets, targets and standards. The achievement of the organisation will be evaluated and monitored against the plan. During this final phase organisation will be evaluating on the no. of people employed against established, and on the number recruited against the recruitment targets.

(Q) What is meant by HR planning? and what factors the HR planning?

A) Human resource planning is the process of foreseeing the requirements of human resources in an organisation. The object is also to determine how the existing human resources best fit in their jobs.

factors affecting HRP

External factors

→ government policies

→ level of economic development

Internal factors

→ HR policies

→ Job analysis

- Business Environment
- Informational Technology
- International factors.
- Time Horizon
- Type and quality of information
- Trade unions.

External Factors:-

1. Government policies:-

Policies of the government like labour policy, industrial policy, Policy towards reserving certain jobs for different communities etc... It affects HRP.

2. Level of Economic Development:-

It determines the level of human resource development in the country and thereby the supply of human resource in the future of the country.

3. Business Environment:-

Business Environment means internal and external factors influencing the business. Business environmental influences the volume of mix and production thereby the supply of human resources demanding the future in the country.

4. Information Technology:-

~~shifts~~ Information Technology brought ~~amazing~~ changes in the way business operates. These shifts includes business process reengineering (BPR), enterprise resource planning (ERP) and supply chain management. These changes brought out unpreceded prediction in human resource and increase in software specialist.

Example:- computer-aided design and computer-aided technology (CAT) also reduced the existing requirement of human resources

5. International factors:-

International factors like the demand and supply of

human resources in various countries also affects the HRP.

Internal factors:-

1. HR policies :-

Human Resource policies of the company regarding quality of human resources, compensation level, Quality of work life etc.. influences the HRP plans

2. Job Analysis :-

It means detailed study of the job. including the skills needed for a particular job. Human Resource planning is based on job analysis which determines the kind of employees to be procured ~~etc.~~ required

3. Time horizon :-

Companies planning refers differs according to the competitive environment that is companies with stable competitive environment can plan for the long run. On one hand they are short term plans spanning 6 months to 1 year. On the other hand there are long term plans, which spread over 3-20 yrs. In generally the greater the uncertainty, shorter the plans time horizon. and vice-versa.

4. Type and Quality of Information:-

The information used to forecast personnel needs originates from a multiple of sources a major issue in personnel planning is the type of information which should be used in making forecast.

5. Trade unions:-

If the unions declare that they will work for more than 8 hrs a day, It effects the HRP. Therefore influences of trade unions regarding the no of working hours per week, recruitment sources etc.. effects HRP.

⑤ What are the different types of HRP?

Types of HRP

a) On the basis of level

b) On the basis of time-span

① macro level man power planning

① short-term HRP

② micro level man power planning

② long-term HRP

③ Intermediate HRP.

a) on the basis of level :-

1. macro level man power planning :-

macro level HRP looks at population development and planning issues in the same way as corporate HRP, the difference being that government take up the role of a planner and the canvas of operations in the entire country. They have to focus on adequate levels of availability of HR for the countries industry, Agriculture, government machinery, National Infrastructure, Military etc..

2. micro level man power planning :-

micro level HRP generally refers to the planning done on a smaller scale i.e. an organization will try to access the man power need at each level of work, recruiting the man power needed, the skills required and also providing training where updating of skills is wanted.

b) on the basis of Time-span :-

i) Short-term HRP :-

It refers to planning of staffing needs in the future for a period of more than one year. It mainly involves awareness of demand and supply.

2. Intermediate HRP :-

It includes the time-period of two 2-3 years in this focus on every future phase of intermediate HRP. It focuses on forecasting demand and supply of labour and trying to adjust employee skills.

3. Long-term HRP :-

Long-term planning is the planning for a period of beyond 2 years. It is carried out by highly experienced specialists. Its aim is to arrange for the personnel before the position is vacant.

Job Analysis :-

(Q) Define Job Analysis and Explain its features?

A) Meaning :-

Job analysis is a detailed and systematic study of jobs, to know the nature and characteristic of the people to be employed on various jobs. It involves collection of necessary facts regarding jobs and their analysis. Job analysis also provides the basis for determining what type of information should be obtained from the applicant. Job analysis is the heart of the entire human resource practice, it is very important in every single organization.

Definition :-

1. According to Edwin B. Flippo - "Job Analysis is the process of studying and collecting information relating to the operations and responsibilities of a specific job".

Characteristic features :-

1. Systematic way of Gathering information about a job:-

The most basic building block of HR management is job analysis, which is a systematic way of gathering

and analysing information about the content, context and human requirement of jobs.

2. Develop jobs :-

Job analysis attempts to develop jobs that fit effectively into the flow of the organisational work that needs to be done. The narrow focus of job analysis centers on using a formal system to gather about what people do in their jobs. This data is used to generate job description and job specifications.

3. Linked to HR Activities :-

Various methods and sources of data can be used to conduct job analysis. The real value of job analysis begins the information into job description and job specification for use in virtually all HR activities. It can be effective in HR planning, Recruitment and Selection all must be based on job requirements and capabilities of individuals.

4. Re-design Jobs :-

Job analysis involves collecting information on the characteristics of a job that differences it from other jobs. The information generated by job analysis may be useful in re-designing jobs in this purpose is a clear understanding of what is done on a job and what capabilities are needed to do it as designed.

⑦ Describe the process of job analysis.

Process of job analysis



Determination of uses of job analysis

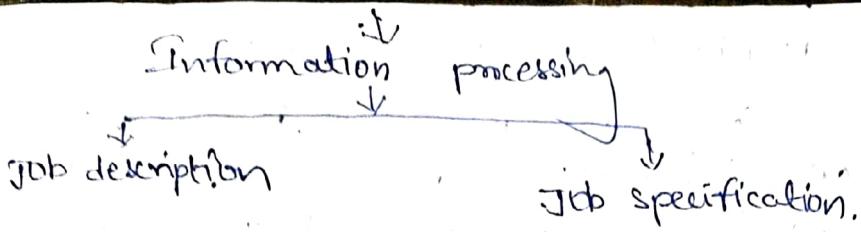


Strategic choice in job analysis



Information collection





1. Determination of uses of job analysis :-

Job analysis was used primarily for recruitment and selection. As the complexity of managing human resource increased the scope of the use of job analysis also increased. It covers many more areas.

2. Strategic choices in job analysis :-

With regard to job analysis an organisation is required to make following choices.

a. Employee Involvement :-

It involves collecting job related information that is duties, responsibilities, skills and knowledge required to perform the jobs employees are often asked to supply full information about the contents of job.

b. level of Details :-

The level of analysis may change from detailed as in time and studies, to broad as analysing job based on general duties.

c. Sources of job data :-

The most direct source of information of a job is the job holder. A number of other human and non-human sources are available. These sources may provide information on average job holder.

3. Information collection :-

The steps involves decisions on 3 issues

1. types of job analysis information.
2. persons involved in information collection
3. Method for data collection.

3.1. Types of job analysis information:-

Considerable information is needed for the successful accomplishment of job analysis. It identifies the job's actual duties and responsibilities gathers other types of data courts activities, machines, tools, equipment etc...

3.2. Persons involved in information collection:-

There are 3 categories of persons involved in information collection that is trained ~~and~~ job analysts, superiors and job holders

3.3. Method for Data collection:-

Various methods are used to collect information for job analysis like questioning questionnaire, check list, interview, observation, technical conference etc.

4. Information processing:-

Once the job information has been collected it needs to be processed so that it would be useful in various personnel functions, different job methods, different outputs or products, The most common output of job analysts is job description and job specification.

- (Q) What is meant by job description? Explain its importance and advantages!

Ques 2/2

8. What Is meant by job description? Explain its importance and advantages?

Job description is an organized factual statement of job contents in form of duties and responsibilities of a specific job. The preparation of the job description is very important before the vacancy is advertised. It tells in brief the nature and type of job.

- Title or designation of job and location in the concern.
- The nature of duties and operations to be performed in that job.
- The nature of authority and responsibility relationships.
- Necessary qualifications required for that job.
- The provision of physical and working conditions of work environment required performance of that job.

Advantages: -

- It helps in recruitment and selection procedures.
- It assists in manpower planning.
- It is also helpful in performance appraisal.
- It is helpful in job evaluation in order to decide about date of remuneration for a specific job.
- It helps the supervisors in assigning work to the subordinates, so that he can guide and monitors their performances.

Importance: -

- It provides basis of measuring job performance.
- It provides clear description of roles for job candidates.
- It provides continuity of role parameters, irrespective of manager's interpretation.
- It enables pay and grading systems to be structured fairly and logically.
- Essential reference tool for discipline issues, it provides important reference points for training development areas.
- It clarifies employer expectations for employee.
- It enables formulation of skill and behavior set requirements per role.
- It enables to manage roles in a uniform way, it increases efficiency and effectiveness of requirement training and development, organizational structure etc.

9. What is meant by job specification? Explain its advantages?

Job specification is a statement which tells us minimum acceptable human qualities which helps to perform a job. Job specific actions translate the job description into human qualification so that a job can be performed in a better manner.

A job specification describes the knowledge, skills, education, experience and abilities you believe are essential to performing a particular job. It describes the person you want to hire for a particular job.

Advantage

- It is helpful in preliminary screening in the selection procedure.
- It helps in giving due justification to each job.
- It also helps in designing training and development programs.
- It helps the supervisors for controlling and monitoring performance of employees.
- It helps in job evaluation.
- It helps the management to take decisions regarding promotion transfer and giving extra benefits to the employees.

10. What is meant by recruitment? Explain its objectives?

Meaning

Recruitment is the process of attracting potential employees and inspiring them to apply for jobs in an organization. This is the process by which organizations locate and attract individuals to fill job vacancies.

Definition

According to Edwin B. Flippo—” Recruitment is the process of searching prospective employees and simulating them to apply for jobs in the organization.”

Objectives

- To provide different opportunities to procure human resource.
- To enable the company to advertise itself and attract talented people.
- To forecast how many people will be required in the company.
- Create a pool of candidates so that the management can select the right candidate for the right job from this pool.
- Determine present and future manpower requirements of the organization in coordination with planning and job analysis activities.
- It acts as a link between the employees and the job seekers.
- It increases the effectiveness of various recruiting techniques.

11. Discuss the steps involved in the recruitment process?

Recruitment process is the first step in creating a powerful resource base, a systematic procedure starting from sourcing from resources to arrange and conducting interviews finally selecting the right candidate.

Step 1 recruitment planning

This is the first step of the recruitment process, where the vacant positions are analyzed and described. It includes jobs specification and its nature, experience, qualifications and skill required for the job.

Job analysis is a process of identifying, analyzing and determining the duties, responsibilities, skills, abilities and work environment of a specific job. It helps the job to understand what tasks are important and how to perform them. Job description is an important document, it is the final statement of job analysis. Jobs specifications focuses on the specification the candidate it is prepare in the list of all jobs.

Step 2 recruitment strategy

It is the second step of the recruitment process. It is prepared for hiring the resources, after completing the preparation of job description on job specification the next step is to adapt for recruiting the potential candidate for the organization.

Step 3 searching the right candidate

This is the process of recruitment where the resources are depending upon the requirement of the job. After the recruitment strategy is done, the searching of candidates will be initialized. This process consists of two steps that is source activation and selling.

Step 4 screening/short listing

Screening starts after completion of the process sourcing the candidates, it is a process of filtering. selection process screening is an integral part of recruitment that helps in removing unqualified candidates.

Step 5 evaluation and control

This is the last stage in the process of recruitment. In this process effectiveness and the validity methods are assessed. It is important that the validity performance of the recruitment process. The causes incurred in this evaluated and controlled efficiently.

For example, salaries, advertisement expenses, administrative expenses etc....

12. Describe the various tools and techniques of selection?

Meaning

Selection can be conceptualized in terms of either choosing the fit candidate or rejecting the unfit candidate. It is a process of more number of candidates as actually selected through recruitment process.

Definition

According to Thomas stone—" selection is a process of difference between applicants in order to identify this greater likelihood of success in a job."

Tools and techniques of selection

Application screening

Initial review of applications to filter out candidates who do not meet basic requirements reviewing reasons, cover letters and applications to match candidate qualification with job requirements.

Preliminary interview

Conduct a quick assessment of the candidate's fit for the position. Typically, a short interview often conducted over the phone or video, to discuss basic qualifications, expectations and availability.

Psychometric testing

Evaluate candidate's personality, cognitive abilities and behavioural traits. Tests or administered to assess various attributes like reasoning skills, emotional intelligence and problems solving abilities.

Aptitude test

Measure specific skills or knowledge relevant to the job. Candidate's complete tasks or answer questions that demonstrate their ability to perform job related functions like language, numerical or technical skills.

Technical and skills tests

Directing assess the technical required for a specific role. Candidates task that demonstrate their competency in areas like software development, data analysis or machinery operation.

Group discussions

Evaluate interpersonal communication and problem-solving skills candidates discuss a topic in a group setting, allowing assessors to observe teamwork, leadership potential and communication style.

Panel interviews

Gather multiple perspectives on a candidate's suitability. A group of interviewers ask the candidate questions, allowing for a comprehensive evaluation from different departmental viewpoints.

Reference checks

Validate the candidate's qualifications and work history, previous employers or professional contracts are contracted to confirm the candidates past performance, reliability and role suitability.

12/2/25 Unit-3: Training and Development :-

1. What is meant by training? Explain its objectives.

A) Introduction:-

Training may be viewed as a systematic and planned process, which has its organisational purpose to provide learning experiences that will bring about improvement in an employee and enable him to make his contribution in greater measure to meeting the goals and objectives of an organisation.

Meaning:-

Training is the process of maintaining and developing the required skills in an employee to enable him to maintain and improve the performance. Training is the human resource development sub-function. Every organisation spends more time and money to provide training to the employees for better performance.

Definition:-

According to Welch Beach - "Training is the organised procedure by which people learn knowledge and skill for definite purpose".

Objectives:-

1. Skill Development:-

To enhance the specific skills and knowledge required for an employee's current job role.

2. Improving job performance:-

Imparting new skills helps in performance enhancement of employees assigned with specific tasks.

Training helps to bridge the gap between actual performance and expected performance.

3. Avoiding or Delaying Managerial obsolescence:-

A manager's ability to cope with technological

advancements is referred to as managerial obsolescence as it is the management adapt to change the new methods and processes it turns to increase the organisational performance. Therefore training is aimed at avoiding managerial obsolescence.

4. Preparing for promotion and succession :-

An employee acquires new skills in a training program so a manager he can accept challenging tasks, and doesn't hesitate to assume higher responsibilities.

Training makes the transition of the employee from the present job to the next job easier, faster and smoother.

5. Motivating and preventing employee attrition :-

An employee needs continuous development to move along the career path as per the career planning. Training motivates organisational commitment. Managers must provide adequate training facilities to all the employees.

6. Gaining organisational Excellence :-

Knowledge, skill and motivation are the dominant determinants of human performance a trained person needs less time and attention from the supervisor, as training makes him self propelled. Training additionally reduces accident rates, rejections and wastages, Break down of machines and facilities, It enhances labour and material productivity.

a. What is training? Explain its importance?

a) Training is a critical element in the development of both employee and organisation its importance extends to improving individual performance, supporting organisational growth and ensuring long term success.

b) Improves employee performance :-

Training equips employees with the skills

and knowledge needed to perform their job duties more effectively this leads to better quality work, higher productivity and reduced errors.

3. Enhances Organisational Competitiveness :-

A well-trained work force can help an organisation remain competitive in the market by improving the efficiency of operations, embracing technological advancement and fostering innovation. It ensures the organisation is up-to-date with industry and best practices.

3. Reduces employee Turn-over :-

Offering training opportunities can increase employee satisfaction and loyalty. Employees are more likely to stay with an organisation that invest in their growth, reducing turnover and the associated cost of hiring and onboarding new staff.

4. Increased productivity :-

Training improves the performance of employees. It increases the skill and efficiency. It results in better quantity and quality of production. A trained worker will handle machines carefully and he will use the materials in an economical way.

5. Higher productivity: Employee Moral :-

A trained worker derives happiness and job satisfaction from his work. He feels happy when his performance is upto the mark. This also gives him job security and ego satisfaction. All these factors will improve employee moral.

6. Less Supervision :-

The degree of supervision required for a trained worker will be less. He will not be depended upon the supervisor and may carry on his work himself. On the other hand an untrained worker will need constant

watch, and he will require the guidance of the supervisor.

7. Employee Development :-

Training also helps in the development of employees. It first helps in the locating talent in them and then developing it to the maximum. If a worker learns fast, he will be able to develop his talent and improve his performance.

8. Loss wastage :-

Untrained workers may waste more materials, damage machines and equipment. It may cause accidents. Accidents generally due to a deficiency in the operator, and not in the machine.

(b) Discuss the techniques or methods of training in an organisation.

a) Hiring the most qualified person, for a position in organisation, is start to ensuring a high rate of productivity and job satisfaction. Organisations are spending thousand of dollars every year to provide training to their employees so that their skills are constantly updated and improved. Employee training methods have been found to be a great source of motivation to an employee and also contribute to their job satisfaction. A multiple methods of training are used to train employees, the mostly commonly used methods and techniques are two types.

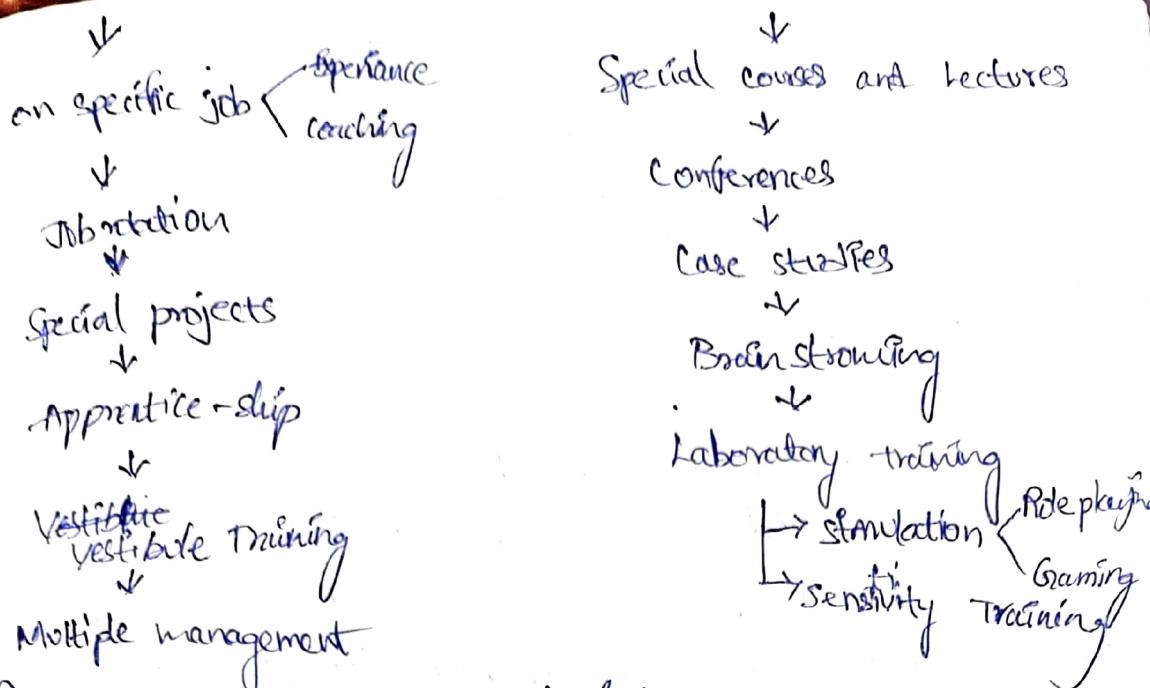
i. On the job training methods

ii. Off the job training methods.

method of training

on the job training methods

off the job training methods



Q) on the job training methods:-

i. on specific job:-

on the job training methods is used to provide training for a specific job such as electrical, motor mechanic, Plumber etc...

a) Experience :-

This is the oldest method of on the job training. Learning by experience can't and should not be eliminated as a method of development. though as a sole approach, it is a ~~costly~~, time consuming and less efficient.

b) coaching :-

on the job coaching by the supervisor is an important and potentially effective approach is superior. The technique involves direct personnel in structure instruction and guidance, usually with extensive demonstration.

ii. Job rotations:-

The major objective of job rotation is training the broadening of the background of training trainee in the organisation. If trainee is rotated periodically

- from one job to another job, he acquires a general background.

3. Special projects:-

This is a very flexible training device. The trainee may be asked to perform special assignment, thereby he learns the work procedure.

4. Apprenticeship:-

Under this method the trainee is placed under a qualified supervisor or instructor for a long period of time depending upon the job and skill required. Wages paid to the trainee are much less than those paid to qualified workers.

5. Vestibule training:-

Conducting training away from the actual work place but providing a simulated work environment with all necessary equipment. It can be created in a class room or a workshop. The machines, materials and tools under this method is same as those used in the actual performance in the factory.

6. Multiple management:-

Emphasizes the use of committees to increase the flow of ideas from less experienced managers and to train them for their position of greater responsibility.

II. of the job training methods:-

1. Special courses and lectures:-

Lecturing is the most traditional form of formal training method, special courses and lectures can be established by business organisations in numerous ways as a part of their development programs.

2. Conference :-

This is also an old method, but still a favorite training method. In order to escape the limitations of straight lecturing many organisations have guided, discussion type of conferences in their training programme. In this method the participants ideas and experience attempting to arrive at improved methods of dealing with the problems.

3. Case Studies:-

This technique has been developed, popularised by the Harvard Business School, USA. It is one of the most common forms of training. A case is a written account of a trained reporter or analyst seeking to describe an actual situation.

4. Brainstorming:-

This is the method of stimulating trainees to creative thinking. This approach developed by Alex Osborn, seeks to reduce inhibitory courses by providing for a maximum of group participation and a minimum of criticism. A problem is posed and ideas are invited.

5. Laboratory training:-

Laboratory training adds to conventional training by providing situations in which the trainees experience through their own interaction. Laboratory training is more concerned about changing individual behaviour and attitude.

There are two methods of laboratory training simulation and sensitive training.

Simulation

It is a popular technique of management development simulation of performance. In this method instead of taking participants into the field the field can be simulated in the training session. It is the presentation of real situation of organisation in the training session.

~~Ques~~ There are two simulation methods role playing & business game.

a) Role playing :-

It is one of the greatest use in connection with human relations training. It is also a sales training, it is a spontaneous acting of a realistic situation involving two or more persons.

b) Gaming :-

It has been used for variety of training objectives from investment strategy. It has been used at all levels from the executives for the product supervisors.

Sensitive training :-

It is the most (controversial) laboratory training method. Many of the advocates have an almost religious zeal in their enhancement with the training gap experience.

Q) How is a training programme designed in HRM?

Designing an effective training programme in HRM requires a strategic approach to address organisational needs and enhance employee capabilities.

1. Conduct a thorough needs analysis to identify skill gaps and training requirements within the organisation.
2. Define specific, measurable and achievable learning objectives for the training programs.
3. Determine the specific employee groups or individuals who will benefit most from training.
4. Create training content that aligns with the identified objectives and meets the learning needs of the participants.
5. Establish a training schedule that accommodates participants and ensures minimal disruption to regular work activities.
6. Communicate with participants before training to outline expectations, objectives and any pre-work requirements.
7. Develop a detailed plan for implementing the training program including logistics, timeliness and participant support.
8. Establish evaluation matrix to assess the effectiveness of training.
9. Provide post-training support such as access to additional support, monitoring, learning, etc.
10. Gather feedback from participants and stakeholders.

to identify areas for improvement in training development programs.

Executive development :-

Q) What is meant by Executive development? Explain its features?

A) Executive development program is the process by which managers and executives can acquire not only skills and competency in their present jobs but also capabilities for future managerial tasks of increasing difficulty and scope.

Definition :-

According to S.B. Budhiraja, former managing director of Indian Oil Corporation - Any activity designed to improve the performance of existing managers and to provide for planned growth of manager to meet future organisational requirements is called management development."

Executive development is a predominantly educational process, it is a continuous and life long process. It is not training like one short programme but on going continuous programme throughout the career of an executive or manager.

Features :-

1. Decision making skills :-

It improves executive decision making, risk management and problem solving abilities.

2. Personal effectiveness :-

It focuses on personal growth, self awareness, time management and emotional

intelligence.

3. Interpersonal and communication skills:-

It strengthens leadership communication, negotiation, team building and conflict resolution skills.

4. Strategic leadership:-

It fosters the development of skills necessary for managing change, leading strategic initiatives and aligning the organisational vision.

Ques

What is meant by training and executive development. Explain its differences.

A) Training:-

Training is a process in which the trainees get an opportunity to learn the skills which are required to do the job. Learning with earning is known as training. It helps the employees to understand the complete job requirements.

Development:-

The training for the top level employees is considered as development. It is also known as management or executive development. It is a ongoing system procedure. In which managerial staff learns to enhance theoretical knowledge.

Training	Development
1) It focuses on job specific skills and immediate performance, it addresses specific tasks or functions that an employee must perform	It focuses on personal and professional growth that prepare employees for higher responsibilities or leadership roles.
2) The objective of training is to improve current job performance, teaching employees the necessary skills to carry out day-to-day	The objective of development is to prepare employees for future roles by enhancing leadership, decision making and

task efficiently.

③ Its time-frame is short term and specific to the current job requirement

④ It is a narrow in scope focused on particular skills and knowledge on technologies needed to perform the specific task.

⑤ Training methods include on the job training, work shops, seminars, E-learning courses, tailored to the specific task at hand

⑥ Training generally target employees in specific job roles, who need to improve certain skills

Its evaluation is measured by immediate job performance, skill proficiency or task completion rates.

Its nature is reactive, responding to immediate performance needs or skill gaps.

Training is mostly for non-managing staff and workers, it is one-shot deal

strategic thinking.

Its time-frame is a long term process. It's continuous growth, skill acquisition, and career advancement over time.

It's scope is wider, it aims at a comprehensive improvement of an employee's overall capabilities.

It includes activities like mentorship, coaching, job rotation, formal education (MBB) and exposure to new roles or challenges

It aims at employees at all levels, especially those with high potential, preparing them for future leadership or managerial roles

It's evaluated through long term career growth, leadership effectiveness and ability to take on higher level responsibilities.

Its nature is pro-active designed to ensure continuous and professional growth.

The Development for managers & executives so it is a continuously ongoing process.

goals of training are short-term gains

goals of development are long term accruals.

Q) Explain the importance of executive development?

A) Executive development is vital for organisations to maintain leadership effectiveness, drive growth and navigate challenges in a constantly changing business environment. The significance of executive development can be understood through its impact on various aspects of an organisation.

1. Improved Leadership Capabilities:-

Executive development focuses on enhancing the leadership skills of top managers. As a result it equips them to lead teams effectively, make strategic decisions and inspire innovation. Well developed leaders can steer the company through difficult periods and drive long-term success.

2. Succession planning:-

A key benefit of executive development is its role in succession planning, by nurturing (feeding) and preparing future leaders, organisation ensure a smooth transition, when senior executives retire or move on. This minimizes disruptions and helps to maintain stability in leadership.

3. Organisational growth and competitiveness:-

Executives who are trained in key management and strategic areas bring innovative solutions to the organisation. Their ability to understand market trends, manage resources effectively and make sound decisions can directly contribute to the competitive

growth.

4. Innovation & creativity:-

By exposing executives to new ideas, methodologies, and cross-industry experiences, executive development fosters creativity and innovation. It helps continuous improvement and stay ahead competitors.

5. Improved organisational culture:-

Leadership development also entails involving, enhancing emotional intelligence, communication and inter-personal skills. As a result, executives are better able to foster a supportive, inclusive and collaborative culture that benefits both employees and the company as a whole.

⑧ What techniques are commonly used in executive development programmes.

Executive development programme plays a important role in grooming leaders for strategic roles. Various techniques are employed to enhance leadership skills and prepare executives for the challenges of their roles.

1. Leadership workshops:-

Intensive workshops focused on developing leadership skills, strategic thinking, decision making for executives.

2. 360° feedback:-

collecting feedback from peers, subordinates and superiors to provide a comprehensive view of our executive leadership strength and

areas for improvement.

3. Coaching & Mentoring:-

executives with experienced coaches or mentors to provide guidance, feedback and personalized support through-out their development journey.

4. Simulation exercises:-

Simulating real world scenarios to challenge executives and enhance their problem solving and decision making abilities in a risk free environment.

5. E-learning platforms:-

utilizing digital platforms to deliver interactive and accessible learning material, accomadating executives, diverse schedules and preferences.

6. Case studies:-

Analysing real life business cases to develop critical thinking skills, allowing executives to apply theoretical knowledge to practical situation.

7. Executive retreats:-

fostering retreats for executives to step away from daily routines, fostering reflection, strategic planning and team building activities.

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UNIT 4

Performance Appraisal

1. What is meant by performance appraisal? Explain its process?

Performance evaluation is a systematic process that evaluates an employee's job performance and productivity in a given period. This process helps organizations assess individual contributions, identify areas for improvement and make informed decisions about promotions, training and compensation. In this process involves several key steps

1. Goal setting

At the beginning of the performance appraisal cycle, managers and employees collaboratively set specific measurable goals. These goals should align with the overall objectives of the organization and the employee's role. Clear expectations are crucial for an effective performance appraisal.

2. Continuous feedback

Throughout the performance period, managers provide regular feedback to employees. This can be in the form of informal discussions, check-in's or progress reviews. Continuous communication ensures that employees are aware of their performance and can make necessary adjustments in real time.

3. Self-assessment

Employees are often given the opportunity to evaluate their own performance. This self-assessment allows them to reflect on their achievements, challenges and areas for improvement. It also promotes self-awareness and encourages employees.

4. Performance appraisal meetings

Formal meetings are scheduled between managers and employees to discuss the performance appraisal. During these meetings both parties have the chance to share their perspectives, discuss achievements and challenges and explore opportunities for growth.

5. Rating or grading

Managers assign ratings or grades to employees based on their performance. These steps involve comparing actual performance against the predefined standard or benchmarks.

6. Documentation

It is essential to document the performance appraisal process, including goals, feedback, ratings and development plans. This documentation serves as a reference for future appraisals, promotions and decisions related to employee development.

7. Reward and recognition

Based on the performance appraisal results, organizations may implement reward and recognition programs to acknowledge high performers. This includes salary increases, bonuses, promotions or other forms of organization.

Conclusion

A well-structured performance appraisal process is integral to organizational success, promoting employee's development and ensuring alignment with overall business goals.

2. What is performance appraisal? Explain its features and importance?

Performance evaluation is a method of evaluating the behavior of employees in work spot, normally including both the quantitative and qualitative aspects of the job performance. Performance refers to the degree of accomplishment of the task that makes up an individual's job. It Indicates the individuals fulfilling the job demands and performance

Definition

According to Mondy—" performance appraisal is a system of review and evaluation of an individual's performance."

Features

1. Systematic process

The appraisal is a systematic process involves 3 steps

- Setting work standards.
- Assessing employee's actual performance relating to work standards.
- Offering feedback to the employees so that he can eliminate efficiency and improve performance in course of time.

2. Periodic process

The appraisal is carried out periodically according to the definite plan. It is certainly not a one-shot deal.

3. Evaluating process

It tries to find out how well the employees are performing the job and tries to establish a plan for future improvement.

4. Future oriented

Performance appraisal is not a past oriented activity with the intention of putting poor performance in a spot. Rather it is a future oriented activity showing employees where things have gone wrong. How to set everything in order and deliver results using their in the proper way.

5. Employee development

"Performance appraisal is not limited to calling the fouls". It focuses on employee development. It forces managers to become watchers rather than judges. The appraisal process provides an opportunity to identify issues for discussion, eliminate any potential problem.

Importance

1. Performance improvement

Performance appraisal is used as a development tool by organization, it helps in improving the performance of employees through work planning, skill identification and potential development.

2. Compensation adjustment

Performance appraisal's most popular outcomes is its linkage to compensation adjustment. Employees exhibiting superior performance are rewarded through increases in their compensation to motivate them to further excel in their jobs.

3. Career planning and development

Performance appraisal provides reliable data and information on the current performance level, potentialities and development needs of employees based on its career planning and development needs are identified.

4. Diagnose job design errors

Poor performance may be a symptom of ill-conceived job designs. Appraisals help diagnose these errors.

5. Equal employment opportunity

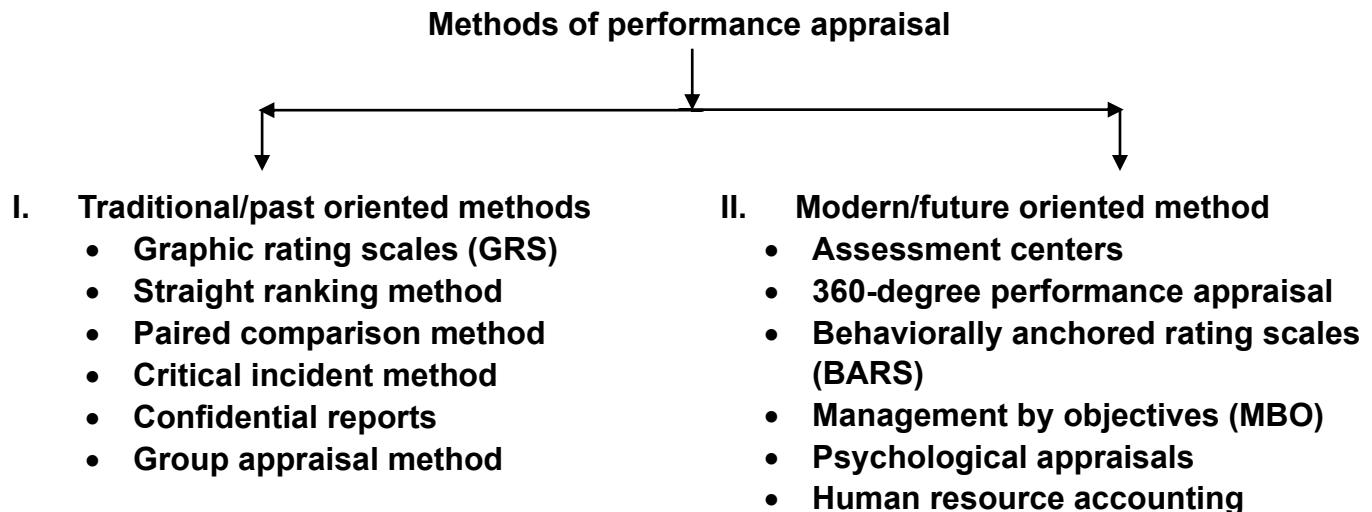
Accurate performance appraisals that actually measure job related performance ensure that internal placement decisions are not discriminatory

3. Explain the methods of performance appraisal?

In order to achieve the organizational objectives, a variety of performance appraisal methods have been developed. The choice of methods depends on organizational objectives, size, product technology etc.

It can be divided into two types

- Traditional method
- Modern method



I. Traditional/past oriented methods

1. Graphic rating scales (GRS)

A GRS also known as linear or sample rating scale. It presents appraisers with a list of traits assumed to be necessary to successful job performance (example corporate owners, adaptability, maturity and motivation). A five or seven point rating scale accompanies each trait, the midpoint of the scale is usually anchored by such words as average, satisfactory etc.

2. Straight ranking method

This is the simplest and oldest method of performance appraisal with the straight ranking approach, all employees are ranked from “best to worst” on the basis of comparative overall performance. The primary attraction of straight ranking is its simplicity, it involves rank ordering.

3. Paired comparison method

This method probably evolved in succession to the straight ranking method in order to provide a systematic procedure for determining the relative ranks of the people. This may be called a “man to man” assessment. It is an appreciable system in which the appraiser compares an employee with every other employee one at a time.

4. Critical incident method

In this method the performance appraisal involved identifying and describing specific events, where the employee did something really well or something that needed improvement. It is a technique based on the description of the event.

5. Confidential reports

It is mostly used in government organizations. It is a descriptive report prepared at the end of every year by the employees immediate superior. This report highlights the strengths and weaknesses of the subordinate. The impressions of the superior about this about the net or recorded here.

6. Group appraisal method

It is generally observed that some evaluators, evaluate their employees according to very high standards as per the usual practice, this may not be needed. This happens when the performance of the evaluator himself is outstanding which is while he expects the same from his group. In order to overcome this difficulty, the group appraisal method is based on evaluation of performance by a group.

II. Modern/future oriented method

1. Assessment centers

It is a modern assessment method by future performing assessing the employee for achievement and by setting targets. An assessment center is a Central location where managers may come together to have their participation in job related exercises evaluated by trained observers. This idea is to evaluate managers over a period of time.

2. 360-degree performance appraisal

360-degree appraisal can be defined as the systematic collection and feedback of performance data on an individual or group derived from a number of the stakeholders in their performance. In this the employees have the chance to review the manager, which is not practiced with traditional performance appraisal.

3. Behaviorally anchored rating scales (BARS)

BARS is sometimes called behavioural expectation scales or rating scales. whose scale points are determined by statements of effective and ineffective behaviors. They are said to be behaviorally anchored in that the scales represent a range of descriptive statements of behavior varying from the least to the most effective.

4. Management by objectives (MBO)

It was Peter F. Drucker who first gave the concept MBO. It is an individual evaluation method which measures task outcomes rather than behavior. It is also called appraisal by results. MBO aims to increase organization performance by aligning goals and subordinates' objectives throughout the organization. Ideally employees strong input to identify their objectives, timelines for completion etc.

5. Psychological appraisals

Large organizations employ full time industrial psychologists, when psychologists are used for evaluations, they assess an individual's future potential and not past performance. The appraisal normally consists of in-depth interviews, psychological tests, discussions with superiors and a review of other evaluations.

6. Human resource accounting

This method attaches money estimates in the value of manpower of an organization. The process is somewhat like estimating the Goodwill value and can be appraised by developing a procedure to Undertake periodic measurement of certain variables, such variables are either categorized as key variables or intervening variables. Key variables are policies and decisions of an organization. Intervening variables are loyalties, attitude, motivations, interpersonnel relationships, communication and decision making etc.

INTRODUCTION

Industrial relations are used to denote the collective relationships between management and the workers. Traditionally, the term industrial relations is used to cover such aspects of industrial life as trade unionism, collective bargaining, workers' participation in management, discipline and grievance handling, industrial disputes and interpretation of labor laws and rules and code of conduct.

Industrial relations involve attempts at arriving at solutions between the conflicting objectives and values; between the profit motive and social gain; between discipline and freedom, between authority and industrial democracy, between bargaining and co-operation; and between conflicting interests of the individual, the group and the community. The National Commission on Labor (NCL) also emphasize on the same concept. According to NCL, industrial relations affect not merely the interests of the two participants- labor and management but also the economic and social goals to which the State addresses itself. To regulate these relations in socially desirable channels is a function, which the State is in the best position to perform.

CONCEPT OF INDUSTRIAL RELATION

The term 'Industrial Relations' comprises of two terms: 'Industry' and 'Relations'. "Industry" refers to "any productive activity in which an individual (or a group of individuals) is (are) engaged". By "relations" we mean "the relationships that exist within the industry between the employer and his workmen." The term industrial relations explain the relationship between employees and management which stem directly or indirectly from union-employer relationship.

Industrial relations are the relationships between employees and employers within the organizational settings. The field of industrial relations looks at the relationship between management and workers, particularly groups of workers represented by a union. Industrial relations are basically the interactions between employers, employees and the government and the institutions and associations through which such interactions are mediated.

The term industrial relations have a broad as well as a narrow outlook. Originally, 'industrial relations' were broadly defined to include the relationships and interactions between employers and employees. From this perspective, industrial relations cover all aspects of the employment relationship, including human resource management, employee relations and union-management (or labor) relations. Now its meaning has become more specific and restricted. Accordingly, industrial relations pertains to the study and practice of collective bargaining, trade unionism and labor-management relations, while human resource management is a separate, largely distinct field that deals with nonunion employment relationships and the personnel practices and policies of employers.

INDUSTRIAL RELATIONS

The relationships which arise at and out of the workplace generally include the relationships between individual workers, the relationships between workers and their employer, the relationships between employers, the relationships employers and workers have with the organizations formed to promote their respective interests and the relations between those organizations, at all levels. Industrial relations also includes the processes through which these relationships are expressed (such as, collective bargaining, workers' participation in decision-making and grievance and dispute settlement) and the management of conflict between employers, workers and trade unions, when it arises.

Meaning of Industrial Relation

Industrial relation is the relationships between employees and employers within the organizational settings. This is basically the interactions between employers, employees and the government and the institutions and associations through which such interactions are mediated.

Definitions of Industrial Relation

According to the ILO, "industrial relations deal with either the relationships between the state and the employers and the workers organization or the relation between the occupational organizations themselves".

According to Lester, "industrial relations involve attempts to have workable solutions between conflicting objectives and values, between incentives and economic security, between discipline and industrial democracy, between authority and freedom, and between bargaining and co-operation".

CHARACTERISTICS OF INDUSTRIAL RELATIONS

1. **Dynamic and Developing Concept:** The concept of "Industrial Relations" is a dynamic and developing concept. It is described as relationship between employers and management or the enterprise and the employees or among employees and their organizations or employers, employees and their trade unions and the government.
2. **It is a set of functional:** Industrial relations do not constitute a simple relationship, but they are self-functional inter-dependent complexities involving various factors or various variables such as economic, political, social, psychological, legal factors or variables.
3. **Employee-employers relationship:** Without the existence of the minimum two parties, industrial relationship cannot exist such as:
 - i) Workers and their organizations.
 - ii) Employers or management of the enterprise.

iii) Government is the three participants or parties in the industrial relations.

4. **It is a product:** Industrial relations are the product of economic, social and political system arising out of the employment in the industrial field.

5. **Development of healthy labour management:** The important purpose of industrial relations are development of healthy labour-management or employee-employer relations, maintenance industrial peace, avoidance of industrial strife, development and growth of industrial democracy etc.

SIGNIFICANCE OF INDUSTRIAL RELATIONS

1. Good Industrial relations contribute to industrial peace.
2. It is highly essential that there is good cooperation between labour and management to fulfill individual, organizational and national goals.
3. Social Justice and Industrial welfare in an economy is possible only in an atmosphere of industrial peace.
4. Good Industrial relations promote understanding between labour and management.
5. It helps in redressed of grievances and fosters pursuit of industrial goals.
6. It has promoted industrial productivity in establishments.
7. It helps to protect worker's interests and improve their economic conditions.
8. Good Industrial relations reduce conflicts between management and labour.
9. It helps to enhance open communication between employers and Industrials.
10. It helps to establish a good rapport between management and unions.

OBJECTIVES OF INDUSTRIAL RELATIONS

1. **Promote Industrial Harmony:** Maintain peaceful and cooperative relationships between employers and employees.
2. **Resolve Conflicts and Disputes:** Prevent and settle conflicts through negotiation and dialogue.
3. **Enhance Productivity:** Improve productivity and efficiency by fostering a positive work environment.
4. **Ensure Fair Treatment:** Guarantee fair and just treatment of all employees.

PRINCIPLES OF INDUSTRIAL RELATIONS

Principles of Good Industrial Relations are as follows:

1. The willingness and ability of management and trade unions to deal with the problems freely, independently and with responsibility.
2. Recognition of collective bargaining.
3. Desirability of associations of workers and managements with the Government while formulating and implementing policies relating to general economic and social measures affecting industrial relations.
4. Fair redressal of employee grievances by the management.
5. Providing satisfactory working conditions and payment of fair wage.

5. **Stability in the Workplace:** Establish a stable work environment by minimizing industrial actions like strikes and lockouts.

6. **Compliance with Labor Laws:** Ensure adherence to labor laws, regulations and ethical standards.

7. **Promote Employee Welfare:** Improve working conditions, health and safety, as well as social benefits for employees.

8. **Facilitate Collective Bargaining:** Promote fair negotiations between employers and employees (or unions) on wages and conditions.

9. **Develop Positive Employer-Employee Relations:** Build a cooperative and mutually beneficial relationship between both parties.

10. **Employee Motivation and Satisfaction:** Increase job satisfaction and motivation, reducing turnover and absenteeism.

11. **Manage Trade Union Activities:** Regulate trade union activities and ensure lawful operations.

12. **Foster Organizational Growth:** Contribute to the company's success by promoting stable industrial relations.

13. **Prevent Industrial Actions:** Avoid disruptions like strikes by addressing grievances proactively.

14. **Support Training and Development:** Encourage continuous development and skill enhancement for employees.

Approaches of Industrial Relations Systems are:

6. Introducing a suitable system of employee's education and training.
7. Developing proper communication system between management and employees.
8. To ensure better working conditions, living conditions and reasonable wages.
9. To develop employees to adapt themselves for technological, social and economic changes.
10. To make positive contributions for the economic development of the country.

11. The degree of State intervention is also determined by the stage of economic development. For example, in a developing economy like ours, work-stoppages to settle claims have more serious consequences than in a developed economy and similarly, a free market economy may leave the parties free to settle their relations through strikes and lockouts but in other systems varying degrees of State participation is required to building up sound industrial relations.
12. The role played by the State is an important feature in the field of industrial relations and State intervention in this area has assumed a more direct form. The State has enacted procedural as well as substantive laws to regulate industrial relations in the country.

COMPONENTS OF THE INDUSTRIAL RELATIONS

The major components of the industrial relations system are:

1. The actors (workers and their organizations, management and government).
2. Contextual or environmental factors (labor and product markets, technology and community or "the locus and distribution of power in the larger society").
3. Processes for determining the terms and conditions of employment (collective bargaining, legislation, judicial processes and unilateral management decisions, among others).
4. Ideology or a minimal set of shared beliefs, such as the actors' mutual acceptance of the legitimacy of other actors and their roles, which enhance system stability.
5. Outcomes, including wages and benefits, rules about work relations (e.g. standards for disciplinary action against workers), job satisfaction, employment security, productive efficiency, industrial peace and conflict and industrial democracy.

1. Systems Approach

John Dunlop gave the systems theory of industrial relations in the year 1958. He believed that every human being belongs to a continuous but independent social system culture which is responsible for framing his or her actions, behaviour and role.

The industrial relations system was based on three sets of different variables:

Actors: By actors here we mean that the individuals or parties involved in the process of developing sound industrial relations. This symbol is denoted by 'A'.

Context: The contexts refer to the setting in which the actors perform the given tasks. It includes the industry markets (M), technologies (T) and the power distribution in the organization and labour unions (P).

Relationship: Part of human resource management which studies the formal relationship of the workers with the administration and the employers and ensuring a proper mechanism to manage the industrial disputes and conflicts.

APPROACHES OF INDUSTRIAL RELATIONS SYSTEMS**Approaches of Industrial Relations Systems are:**

- | | |
|--------------------------|----------------------|
| 1. System Approach | 2. Unionist Approach |
| 3. Marxist Approach | 4. Market Approach |
| 5. Sociological Approach | 6. Gandhian Approach |

tionship of employees and employers and also keeps an eye on both groups to keep each in line. This relationship is enforced and maintained through labour courts, industrial tribunals, wage boards, investigating and enquiry committees, etc.

INDUSTRIAL DISPUTE

Industrial disputes are conflicts, disorder or unrest arising between workers and employers on any ground. Such disputes finally result in strikes, lockouts and mass refusal of employees to work in the organization until the dispute is resolved. So it can be concluded that Industrial Disputes harm both parties employees and employers and are always against the interest of both employees and the employers.

Definition of Industrial Dispute

According to Sec. 2 of the *Industrial Dispute Act, 1947*, "Industrial dispute means any dispute or difference between employers 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.

CAUSES FOR INDUSTRIAL DISPUTES

The causes of industrial disputes can be broadly classified into two categories:

1. Economic Causes
2. Non-economic Causes

1. Economic Causes

The economic causes will include issues relating to compensation like wages, bonus, allowances and conditions for work, working hours, leave and holidays without pay, unjust layoffs and retrenchments.

2. Non-economic Causes

The non-economic factors will include victimization of workers, ill treatment by staff members, sympathetic strikes, political factors, indiscipline etc.

i) **Wages and allowances:** Since the cost of living index is increasing, workers generally bargain for higher wages to meet the rising cost of living index and to increase their

standards of living. In 2002, 21.4% of disputes were caused by demand of higher wages and allowances. This percentage was 20.4% during 2003 and during 2004 increased up to 26.2%. In 2005, wages and allowances accounted for 21.8% of disputes.

ii)

Personnel and retrenchment: The personnel and retrenchment have also been an important factor which accounted for disputes. During the year 2002, disputes caused by personnel were 14.1% while those caused by retrenchment and layoffs were 2.2% and 0.4% respectively. In 2003, a similar trend could be seen, wherein 11.2% of the disputes were caused by personnel, while 2.4% and 0.6% of disputes were caused by retrenchment and layoffs. In year 2005, only 9.6% of the disputes were caused by personnel and only 0.4% was caused by retrenchment.

iii)

Indiscipline and violence: From the given table, it is evident that the number of disputes caused by Indiscipline has shown an increasing trend. In 2002, 29.9% of disputes were caused because of Indiscipline, which rose up to 36.9% in 2003. Similarly in 2004 and 2005, 40.4% and 41.6% of disputes were caused due to Indiscipline respectively. During the year 2003, indiscipline accounted for the highest percentage (36.9%) of the total time-loss of all disputes, followed by cause-groups wage and allowance and personnel with 20.4% and 11.2% respectively. A similar trend was observed in 2004 where Indiscipline accounted for 40.4% of disputes.

iv)

Bonus: Bonus has always been an important factor in Industrial disputes. 6.7% of the disputes were because of bonus in 2002 and 2003 as compared to 3.5% and 3.6% in 2004 and 2005 respectively.

v)

Leave and working hours: Leaves and working hours have not been so important causes of Industrial disputes. During 2002, 0.5% of the disputes were because of leave and hours of work while this percentage increased to 1% in 2003. During 2004, only 0.4% of the disputes were because of leaves and working hours.

Miscellaneous: The miscellaneous factors include:

- Inter/Intra Union Rivalry.
- Charter of Demands.,
- Work Load.
- Standing orders/rules/service conditions/safety measures.
- Non-implementation of agreements and awards etc.

TYPES OF INDUSTRIAL DISPUTES

Individual Disputes

Individual disputes are conflicts that arise between a single employee and the employer. These disputes typically concern personal issues or grievances related to the individual's treatment in the workplace. These disputes do not involve groups of employees or unions but rather focus on an individual's specific concerns.

Causes of Individual Disputes

- a) **Wages and Salaries:** Disagreements over pay rates, bonuses, overtime or other compensation-related issues.
- b) **Promotion and Career Advancement:** Issues related to promotions, job advancements and career growth opportunities.
- c) **Unfair Treatment:** Concerns over favoritism, unequal treatment or discrimination in the workplace.
- d) **Termination or Suspension:** Disputes over unjust or wrongful dismissal, suspension or disciplinary actions.
- e) **Working Conditions:** Complaints about the work environment, such as safety concerns, excessive workload or uncomfortable conditions.
- f) **Job Responsibilities:** Disagreements over job roles, unclear expectations or unassigned tasks.
- g) **Harassment or Abuse:** Cases of workplace harassment, bullying or abuse by supervisors or colleagues.
- h) **Employee Rights:** Violations of labor rights or breach of terms outlined in the employment contract.
- i) **Workplace Flexibility:** Conflicts related to working hours, leaves or the flexibility in work arrangements.

Resolution of Individual Disputes

- a) **Internal grievance procedures:** Many organizations have formal grievance procedures that employees can follow to address disputes with their employers.
- b) **Mediation and Arbitration:** If internal processes don't resolve the issue, mediation or arbitration may be used as external means of resolving the conflict.

- e) **Legal action:** In extreme cases, the employee may seek legal redress or file a claim with labor authorities if the dispute involves violations of labor laws.

2. Collective Disputes

Collective disputes are conflicts that arise between groups of employees, usually represented by a trade union and their employer. These disputes involve collective issues, where the interests of the group of workers, rather than an individual, are at the center. Collective disputes typically concern working conditions, wages, benefits and terms of employment that affect a large number of workers.

Causes of Collective Disputes

- Wages and Salary Increases:** Disagreements over salary negotiations, wage increases, bonuses or other forms of compensation affecting the entire workforce.
- Working Conditions:** Issues related to safety, work environment, equipment and overall conditions of the workplace that impact a group of employees.
- Job Security:** Concerns over layoffs, downsizing or the use of temporary or contract workers, leading to fears of job loss for the broader workforce.
- Collective Bargaining:** Disputes arising from negotiations between employers and unions over terms of employment, including wages, benefits, working hours and conditions.
- Employee Benefits:** Disputes over health benefits, pensions, sick leave, vacation policies or other worker benefits.
- Disciplinary Action and Management Policies:** Disagreements over disciplinary actions that affect a large group of employees or general management policies perceived as unfair.
- Union Recognition:** Disputes regarding the recognition of a union as the official representative of employees for collective bargaining purposes.
- Workforce Reductions:** Resistance to lay-offs, hiring freezes or other restructuring efforts that affect multiple workers.

3. Economic Disputes

Economic disputes refer to conflicts that arise from disagreements over financial matters, particularly between employers and employees or labor unions. These disputes generally involve issues related to wages, benefits, working conditions and other economic terms of employment that directly affect the financial well-being of workers. Economic disputes often stem from the

desire of employees or unions to secure better compensation or working conditions, while employers may seek to minimize costs and maintain profitability.

Causes of Economic Disputes

- Wages and Salary Increases:** Disagreements over the level of wages, salary hikes, bonuses or commissions for employees, especially when there is a demand for higher pay due to inflation or increased cost of living.
- Employee Benefits:** Conflicts regarding health benefits, pension plans, insurance coverage or other non-wage benefits offered by the employer.
- Working Hours and Overtime:** Disputes over the number of working hours, the payment for overtime or conditions related to work schedules, such as excessive working hours or irregular shifts.
- Profit-sharing or Bonus Schemes:** Disagreements over the allocation of profit-sharing plans, annual bonuses or incentive-based payments.
- Job Security and Layoffs:** Economic disputes arise when workers fear losing their jobs due to company cost-cutting measures, layoffs or downsizing efforts.
- Workplace Conditions:** Disputes concerning working conditions, such as poor workplace facilities, unsafe working environments and inadequate tools or machinery, which impact the employees' ability to perform their work efficiently and safely.
- Cost of Living Adjustments (COLA):** Employees may demand regular adjustments to wages to match the rising cost of living, particularly in times of inflation or economic downturns.
- Union Demands:** Economic disputes often involve unions negotiating for better wages, benefits or working conditions on behalf of their members.

Resolution of Economic Disputes

- Collective Bargaining:** One of the most common methods of resolving economic disputes is collective bargaining, where unions and employers negotiate terms for wages, benefits and working conditions.
- Mediation and Conciliation:** A third party may be involved to mediate or conciliate between the employer and the employees to find a mutually agreeable solution.
- Arbitration:** If negotiations or mediation fail, arbitration can be used as a means of resolving the dispute. An arbitrator makes a binding decision after considering the arguments from both sides.

Non-Economic Disputes

Non-economic disputes are conflicts that arise in the workplace due to issues that are not directly related to financial matters, such as wages, benefits, or working conditions. These disputes typically revolve around interpersonal, organizational or managerial issues that impact employee morale, behavior and relationships within the workplace. While non-economic disputes do not directly affect the financial aspects of employment, they can still lead to significant disruptions in work processes and create a strained work environment.

Causes of Non-Economic Disputes

- Workplace Behavior and Attitudes:** Disagreements over employee conduct, attitude or behavior that may disrupt the work environment. This could include issues like insubordination, lack of respect or conflict between colleagues.
- Management Style:** Differences in opinion regarding the management style of supervisors or managers, including authoritarian or overly controlling approaches, lack of communication or leadership styles that employees find demotivating or unfair.
- Discrimination and Harassment:** Non-economic disputes often arise from claims of workplace discrimination, whether based on gender, race, religion, age, disability or sexual orientation. Harassment, including bullying or inappropriate behavior by coworkers or supervisors, can also lead to conflicts.
- Grievances over Work Assignments:** Employees may disagree with the allocation of tasks, the perceived unfairness in the distribution of work or favoritism in task assignments or promotions.
- Job Roles and Responsibilities:** Conflicts can arise when there is confusion or disagreement over job roles, responsibilities or the scope of an employee's duties, leading to misunderstandings or dissatisfaction.

5. Interest Dispute

Interest disputes refer to conflicts that arise in the workplace when there are differences between employers and employees or between trade unions and employers, regarding terms and conditions of employment. These disputes are typically focused on the negotiation of benefits, wages, working hours, job conditions or other material benefits that impact the interests of employees. Unlike other types of industrial disputes that may be based on already existing conditions, interest disputes are often related to the terms that one party wishes to change or improve.

Causes of Interest Disputes

- Wage and Salary Negotiations:** Disputes arise when there are disagreements over wage increases, salary adjustments or differences between the compensation packages offered to employees and what they believe they are entitled to based on industry standards or cost of living increases.
- Benefits and Perks:** Employees may demand better benefits such as health insurance, pension plans, paid leave or other perks that they feel are insufficient or below industry standards, which may lead to disputes over compensation.
- Working Hours and Overtime:** Disputes may arise over the length of working hours, shift patterns or compensation for overtime work. Employees may feel they are being overworked or inadequately compensated for extra hours worked.
- Job Security:** Employees may dispute decisions made by the employer regarding job cuts, layoffs or restructuring that they believe threaten their job security or the stability of their employment.
- Workplace Safety:** Disputes related to working conditions, including workplace safety standards, hazardous working environments and other conditions that could negatively impact employees' health and well-being.
- Collective Bargaining:** Disputes often arise during the process of collective bargaining between trade unions and employers, where both parties are trying to negotiate terms that benefit their respective interests.
- Promotion and Career Advancement:** Disagreements over the criteria for promotion, career development opportunities or salary increments based on performance or tenure may lead to interest disputes.

6. Rights Disputes

Rights disputes refer to conflicts that arise when there is a disagreement over the interpretation or application of existing terms, conditions or rights that have already been established in a contract, law or labor agreement. These disputes typically concern the violation or infringement of specific rights that employees or employers are entitled to under existing laws or collective bargaining agreements. In essence, rights disputes arise when one party believes their rights, as defined by a legal framework, contract or agreement, are being denied or violated by the other party.

Causes of Rights Disputes

- a) **Violation of Employee Rights:** Employees may file rights disputes if they feel their legal or contractual rights have been violated. This may include issues related to unfair dismissal, discrimination, harassment or failure to comply with terms outlined in their employment contract.
- b) **Breach of Collective Agreements:** If either the employer or the employee violates the terms of a collective bargaining agreement (CBA), it can lead to rights disputes. For example, disputes may arise when agreed-upon wages, benefits or working conditions are not upheld.
- c) **Employment Contracts:** Disputes can arise when employees believe that the terms of their employment contract are being violated, such as issues related to compensation, job responsibilities or termination procedures.
- d) **Rights to Benefits:** Employees may file disputes regarding their entitlements to benefits like medical insurance, pensions, bonuses or paid leave if they believe they are entitled to these benefits but are being denied.
- e) **Workplace Policies and Procedures:** If employees feel that workplace policies, such as disciplinary action, promotions or job security measures, are being unfairly applied or violate their rights, they may engage in rights disputes.
- f) **Health and Safety Violations:** Rights disputes may also occur when workers believe that their rights to a safe working environment are being compromised or neglected by the employer.

7. Recognition Disputes

Recognition disputes occur when there is a disagreement regarding the recognition or acknowledgment of a particular union or workers' organization as the legitimate representative of a group of employees for collective bargaining purposes. These disputes typically arise when a union seeks to be recognized by an employer as the official representative of the employees, but the employer either refuses or fails to officially acknowledge the union's legitimacy. Recognition disputes are a key aspect of industrial relations, as they directly affect the right of employees to collectively negotiate their terms and conditions of employment.

Causes of Recognition Disputes

- a) **Denial of Union Recognition:** The most common cause of recognition disputes is when an employer refuses to recognize a union, even if a majority of employees want the union to represent them.

- b) **Competing Unions:** When there are multiple unions or workers' organizations within a company or industry, conflicts may arise over which union should be recognized as the exclusive bargaining representative.
- c) **Non-Compliance with Legal Requirements:** In some countries, laws or regulations may govern the process of union recognition. Disputes may occur when either the employer or union fails to adhere to these legal processes.
- d) **Employer's Unwillingness to Negotiate:** Employers may be reluctant to recognize a union if they believe it will lead to higher wages, more stringent working conditions or a reduction in their control over employment practices.
- e) **Political and Ideological Conflicts:** Disagreements between employers and unions may also stem from political or ideological differences, particularly in industries where unions may advocate for policies that challenge the status quo.
- f) **Lack of Awareness or Miscommunication:** In some cases, employees may not be fully informed about their rights to form unions or seek recognition, leading to misunderstandings or disputes with employers.

WAYS OF RESOLVING DISPUTES

1. Judicial dispute resolution

The legal system provides a necessary structure for the resolution of many disputes. However, some disputants will not reach agreement through collaborative processes. Some disputes need the coercive power of the state to enforce a resolution. Perhaps more importantly, many people want a professional advocate when they become involved in a dispute, particularly if the dispute involves perceived legal rights, legal wrongdoing or threat of legal action against them.

The most common form of judicial dispute resolution is litigation. Litigation is initiated when one party files suit against another. In the United States, litigation is facilitated by the government within federal, state and municipal courts. The proceedings are very formal and are governed by rules, such as rules of evidence and procedure, which are established by the legislature. Outcomes are decided by an impartial judge and/or jury, based on the factual questions of the case and the application law. The verdict of the court is binding, not advisory; however, both parties have the right to appeal the judgment to a higher court. Judicial dispute resolution is typically adversarial in nature, for example, involving antagonistic parties or opposing interests seeking an outcome most favorable to their position.

Retired judges or private lawyers often become arbitrators or mediators; however, trained and qualified non-legal dispute resolution specialists form a growing body within the field of ADR. In the United States of America, many states now have mediation or other ADR programs annexed to the courts, to facilitate settlement of lawsuits.

2. Extrajudicial dispute resolution

Some use the term dispute resolution to refer only to alternative dispute resolution (ADR), that is, extrajudicial processes such as arbitration, collaborative law and mediation used to resolve conflict and potential conflict between and among individuals, business entities, governmental agencies and (in the public international law context) states. ADR generally depends on agreement by the parties to use ADR processes, either before or after a dispute has arisen. ADR has experienced steadily increasing acceptance and utilization because of a perception of greater flexibility, costs below those of traditional litigation and speedy resolution of disputes, among other perceived advantages. However, some have criticized these methods as taking away the right to seek redress of grievances in the courts, suggesting that extrajudicial dispute resolution may not offer the fairest way for parties not in an equal bargaining relationship, for example in a dispute between a consumer and a large corporation. In addition, in some circumstances, arbitration and other ADR processes may become as expensive as litigation or more so.

3. Trade union-relevance of unions

Trade union and their activities were not considered lawful in the beginning anywhere in the world. This was so in India also. Until 1926, there was no law in India for registration and protection of trade unions.

In 1920, when a suit was filed against the officials of the Madras Textile Labour Union by Binny & Co., the high court of Madras, following the common law in England, granted an injunction restraining the union officials from influencing the workmen to break their contracts with employers by striking. Obviously the leaders of the trade union found themselves liable to prosecution and imprisonment even for bonafide trade union activities.

It was then they felt that some legislative protection of trade union was necessary. Mr. N.M. JOSHI, then General Secretary of All India Trade Union Congress, successfully moved a resolution in the central legislative assembly seeking introduction of some law by the govt. for protection of trade unions. The employers were so much opposed to any such legislative measures being adopted that the passing in 1926. But this act was enforced only from 1st June, 1927.

GRIEVANCE REDRESSAL PROCEDURE

A structured grievance redressal procedure is vital for addressing conflicts in the workplace. It provides a platform for employees to express their concerns, ensures that those concerns are addressed fairly and helps maintain a positive and productive work environment. By following a systematic process, organizations can resolve grievances effectively, leading to greater employee satisfaction, improved relationships and a more harmonious workplace.

PRINCIPLES OF GRIEVANCE REDRESSAL PROCEDURE

- Timeliness:** Grievances should be addressed quickly to avoid escalation and to ensure that employees feel heard and valued.
- Confidentiality:** Grievance procedures should be confidential to protect the privacy of the individuals involved and to prevent any retaliation.
- Fairness:** The process should be impartial, treating both the employee and employer fairly. Both sides should have the opportunity to present their case.
- Transparency:** The grievance process should be clear and well-communicated to employees. They should know how to raise a grievance and the steps involved in resolving it.
- Consistency:** The same procedure should be applied to all grievances to ensure that similar issues are treated consistently, promoting fairness and transparency.

BENEFITS OF AN EFFECTIVE GRIEVANCE REDRESSAL PROCEDURE

- Employee Satisfaction:** Addressing grievances effectively helps maintain job satisfaction, reducing frustration and improving employee morale.
- Improved Work Environment:** A well-structured grievance procedure leads to a positive work culture by resolving conflicts before they affect productivity.
- Retention of Talent:** Employees are more likely to remain with an organization that listens to and addresses their concerns in a fair manner.
- Legal Compliance:** A formal grievance redressal process can help ensure compliance with labor laws and avoid legal disputes or lawsuits.
- Increased Productivity:** Resolving grievances promptly ensures that employees remain focused on their work rather than being distracted by unresolved issues.
- Enhanced Employer-Employee Relationship:** A transparent and effective grievance redressal process fosters mutual trust between employees and management.

STEPS IN GRIEVANCE REDRESSAL PROCEDURE

Step 1: Grievance Identification

Employees raise their concerns or grievances, which may be related to work conditions, policies, interpersonal issues or management decisions. The grievance must be clearly defined, specifying the issue and the individual or group involved.

Step 2: Informal Discussion

In many cases, it is encouraged that employees first discuss the grievance informally with their immediate supervisor or manager. Often, informal discussions can help resolve issues quickly before they escalate. If the issue is resolved informally, no further steps are necessary.

Step 3: Submission of Grievance in Writing

If the informal discussion does not resolve the issue, the employee can submit a written grievance to the human resources (HR) department or a designated grievance officer. The written grievance should include a clear description of the problem, the desired resolution and any steps already taken to resolve the issue.

Step 4: Acknowledgment of Grievance

Once the grievance is submitted, the HR department or relevant authority acknowledges receipt of the grievance, usually within a specified time frame. A record is kept of the grievance for further action.

Step 5: Investigation and Evaluation

The grievance is investigated by HR or a designated grievance committee. This involves gathering information from both the employee and the employer side, interviewing involved parties, reviewing documents or evidence and determining the cause and severity of the issue. It may also involve assessing whether the grievance falls under company policy or legal guidelines.

Step 6: Resolution of the Grievance

After the investigation, a resolution or decision is made. The outcome may include corrective action, mediation, compensation, policy changes or other actions to address the grievance. The resolution is communicated to the employee in a timely manner.

Step 7: Employee's Response

The employee is given the opportunity to express their views on the resolution. If the employee is dissatisfied with the outcome, they may seek further clarification or appeal the decision.

Step 8: Appeal Process

If the grievance is not resolved to the employee's satisfaction, an appeal can be made to a higher authority, such as senior management, an ombudsman or an external body, depending on the company's policies. The appeal process should be fair and transparent, allowing for further investigation and decision-making.

Step 9: Final Decision

After reviewing the appeal (if any), a final decision is made. The decision is communicated to all relevant parties and necessary actions are implemented. If the grievance is upheld, corrective steps are taken; if not, the reasons for the decision are explained.

Step 10: Monitoring and Follow-up

After resolving the grievance, the HR or grievance committee monitors the situation to ensure that the issue does not recur. Follow-up actions may include ensuring that the grievance is fully addressed, the employee is satisfied and the work environment is restored to normal.

COLLECTIVE BARGAINING

Collective bargaining involves discussions and negotiations between two groups as to the terms and conditions of employment. It is called 'collective' because both the employer and the employee act as a group rather than as individuals. It is known as 'bargaining' because the method of reaching an agreement involves proposals and counter proposals, offers and counter offers and other negotiations.

Collective bargaining serves a dual purpose. It provides a means of determining the wages and conditions of work applying to the group of workers covered by the ensuing agreement through free and voluntary negotiations between the two independent parties concerned. It also enables employers and workers to define by agreement the rules governing their relationship. These two aspects of the bargaining process are closely interrelated. Collective bargaining takes place between an employer, a group of employers or one or more employers' organisations on the one hand and one or more workers' organisations on the other. It may take place at many different levels, with one level sometimes complementing the other: a unit within an enterprise, enterprise level and sectoral, regional and national level.

MEANING OF COLLECTIVE BARGAINING

Collective bargaining is a process of negotiations between employers and the representatives of a unit of employees aimed at reaching agreements that regulate working conditions. Collective agreements usually set out wage scales, working hours, training, health and safety, overtime, grievance mechanisms and rights to participate in workplace or company affairs.

OBJECTIVES OF COLLECTIVE BARGAINING

Collective bargaining is the process by which employers and employees negotiate to reach an agreement on various employment conditions. It is an essential mechanism for maintaining industrial peace and ensuring fair treatment of workers. The objectives of collective bargaining can be broadly categorized as follows:

1. Improvement of Employment Conditions

One of the primary objectives of collective bargaining is to improve the overall working conditions of employees. This includes negotiating better wages, working hours, safety measures and health benefits.

2. Fair Wages and Compensation

Collective bargaining aims to secure fair wages and equitable compensation for employees, ensuring they are paid appropriately for their work. This includes negotiating salary structures, bonuses and benefits.

3. Job Security

Ensuring job security is a critical objective of collective bargaining. Trade unions negotiate terms that protect employees from arbitrary layoffs, retrenchments or dismissals and work towards establishing job stability.

4. Improvement in Work-Life Balance

Through collective bargaining, employees strive for better work-life balance, including negotiating for more reasonable work hours, holiday allowances and flexible working arrangements.

5. Health, Safety and Welfare of Employees

A key goal of collective bargaining is to secure safe and healthy working conditions. This involves negotiating health and safety standards, preventive measures and welfare provisions such as insurance, pensions and other employee benefits.

6. Enhancement of Employee Rights and Protections

Collective bargaining seeks to protect workers' rights, such as ensuring fair treatment, equal opportunities, protection against discrimination and safeguarding their legal rights under labor laws.

7. Conflict Resolution

One of the main objectives of collective bargaining is to prevent industrial disputes and provide a platform for resolving disagreements between employees and employers, avoiding strikes and work stoppages.

8. Promotion of Industrial Peace

By establishing clear and mutually agreed-upon terms, collective bargaining fosters industrial peace, which in turn promotes a stable work environment and reduces the likelihood of industrial conflicts or strikes.

9. Empowerment of Employees

Collective bargaining empowers workers by giving them a collective voice, allowing them to negotiate and stand together for better conditions. It helps in addressing power imbalances between workers and employers.

COLLECTIVE BARGAINING PROCESS

The collective bargaining process comprises of five core steps:

1. **Prepare:** This phase involves composition of a negotiation team. The negotiation team should consist of representatives of both the parties with adequate knowledge and skills for negotiation. In this phase both the employer's representatives and the union examine their own situation in order to develop the issues that they believe will be most important. The first thing to be done is to determine whether there is actually any reason to negotiate at all. A correct understanding of the main issues to be covered and intimate knowledge of operations, working conditions, production norms and other relevant conditions is required.
2. **Discuss:** Here, the parties decide the ground rules that will guide the negotiations. A process well begun is half done and this is no less true in case of collective bargaining. An environment of mutual trust and understanding is also created so that the collective bargaining agreement would be reached.
3. **Propose:** This phase involves the initial opening statements and the possible options that exist to resolve them. In a word, this phase could be described as 'brainstorming'. The exchange of messages takes place and opinion of both the parties is sought.
4. **Bargain:** Negotiations are easy if a problem solving attitude is adopted. This stage comprises the time when 'what ifs' and 'supposals' are set forth and the drafting of agreements take place.

- Settlement:** Once the parties are through with the bargaining process, a consensual agreement is reached upon wherein both the parties agree to a common decision regarding the problem or the issue. This stage is described as consisting of effective joint implementation of the agreement through shared visions, strategic planning and negotiated change.

The process of negotiating a union contract may take long a time. Once the management and the members of the union of the negotiation team arrive upon an agreement, the members of the union then accept or reject the agreement by a majority vote. If the agreement is accepted, the contract is approved and sanctioned. On the other hand, if the agreement is rejected by the members of the union, the labour and management negotiation teams continue bargaining and negotiating.

COLLECTIVE BARGAINING ISSUES

Now you will learn that the scope of discussions involved in collective bargaining is varied. Apart from labour force issues, other factors that affect the functioning of an organisation are also considered. The scope of the issues discussed includes the following:

1. **Union and Management Co-operation and Communication:** It is very essential to have cooperation and effective communication between the union organisation that represents the workforce and the management. This includes various activities such as the responsibilities of the employers in making decisions by cooperating with the union. This also considers the extent of support given by the employer to the activities of trade unions.
2. **Employment and Working Conditions:** This includes various factors such as contracts of the employees, employee termination, redundancy principles, working time and schedules of the employees, holiday and paid leaves of the employees.
3. **Wages and Remuneration:** This includes various activities such as wages, minimum wage tariffs, overtime payment, extra payment for risky working conditions and payment for working on holidays.
4. **Occupational Safety and Health:** This includes safety and health measures for employees. This ensures that preventive and corrective measures are taken that facilitates improved working conditions in the organisation. This allows reduction of risks at work place.
5. **Human Resource Development:** This includes various activities such as training and human resources development activities, creation and utilization of various social funds in the organisation for employees.

6. **Management and Union Conflict Resolution:** This includes various procedures like mediation and arbitration that can be applied in situation such as serious disagreements between the management and the unions that represent the employees of the organisation.

IMPORTANCE OF COLLECTIVE BARGAINING

1. Importance of Collective Bargaining

Collective bargaining includes not only negotiations between the employers and unions but also includes the process of resolving labor-management conflicts. Thus, collective bargaining is, essentially, a recognized way of creating a system of industrial jurisprudence. It acts as a method of introducing civil rights in the industry, that is, the management should be conducted by rules rather than arbitrary decision making. It establishes rules which define and restrict the traditional authority exercised by the management.

2. Importance to employees'

Collective bargaining develops a sense of self-respect and responsibility among the employees.

- a) It increases the strength of the workforce, thereby, increasing their bargaining capacity as a group.
- b) Collective bargaining increases the morale and productivity of employees.
- c) It restricts management's freedom for arbitrary action against the employees. Moreover, unilateral actions by the employer are also discouraged.
- d) Effective collective bargaining machinery strengthens the trade unions movement.
- e) The workers feel motivated as they can approach the management on various matters and bargain for higher benefits.
- f) It helps in securing a prompt and fair settlement of grievances. It provides a flexible means for the adjustment of wages and employment conditions to economic and technological changes in the industry, as a result of which the chances for conflicts are reduced.

3. Importance to employers

- a. It becomes easier for the management to resolve issues at the bargaining level rather than taking up complaints of individual workers.
- b. Collective bargaining tends to promote a sense of job security among employees and thereby tends to reduce the cost of labor turnover to management.

- c. Collective bargaining opens up the channel of communication between the workers and the management and increases worker participation in decision making.
- d. Collective bargaining plays a vital role in settling and preventing industrial disputes.

4. Importance to society

- a. Collective bargaining leads to industrial peace in the country.
- b. It results in establishment of a harmonious industrial climate which supports which helps the pace of a nation's efforts towards economic and social development since the obstacles to such a development can be reduced considerably.
- c. The discrimination and exploitation of workers is constantly being checked. It provides a method or the regulation of the conditions of employment of those who are directly concerned about them.

CHARACTERISTICS OF COLLECTIVE BARGAINING

Characteristics of Collective Bargaining are as follows:

1. **Collective Process:** The representatives of both the management and the employees participate in it. Employer is represented by its delegates and, on the other side; employees are represented by their trade union. Both the groups sit together at the negotiating table and reach at some agreement acceptable to both.
2. **Continuous Process:** It is a continuous process. It does not commence with negotiations and end with an agreement. It establishes regular and stable relationship between the parties involved. It involves not only the negotiation of the contract, but also the administration or application of the contract also. It is a process that goes on for 365 days of the year.
3. **Flexible and Mobile:** It has fluidity. There is no hard and fast rule for reaching an agreement. There is ample scope for compromise. A spirit of give-and-take works unless final agreement acceptable to both the parties is reached.
4. **Bipartite Process:** Collective bargaining is a two party process. Both the parties employers and employees collectively take some action. There is no intervention of any third party. It is mutual give and takes rather than a take-it-or-leave-it method of arriving at the settlement of a dispute.
5. **Dynamic:** Collective bargaining is a dynamic process because the way agreements are arrived at, the way they are implemented, the mental make-up of parties involved keeps

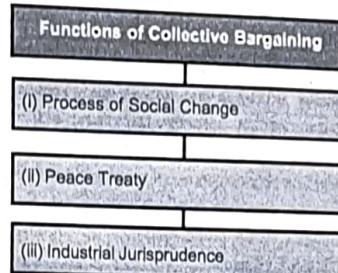
changing. As a result, the concept itself changes, grows and expands overtime. It is scientific, factual and systematic.

6. **Industrial Democracy:** It is based on the principle of industrial democracy where the labour union represents the workers in negotiations with the employer or employers. It is a joint formulation of company policy on all matters affecting the labour.
7. **Complementary Process :** Collective bargaining is essentially a complementary process, i.e., each party needs something which the other party has, namely, labour can put greater productive effort and management has the capacity to pay for that effort and to organize and guide it for achieving the organizational objectives.
8. **It Is an Art:** Collective bargaining is an art, an advanced form of human relations.
9. **Discipline In Industry:** Collective bargaining is an attempt in achieving and maintaining discipline in the industry.
10. **Industrial Jurisprudence:** It is an effective step in promoting industrial jurisprudence.
11. It is a group action as opposed to individual action and is initiated through the representatives of workers. On the management side are its delegates at the bargaining table; on the side of the workers is their trade union, which may represent the local plant, the city membership or nation-wide membership.
12. **It Is flexible and mobile and not fixed or static.** It has fluidity and scope for compromise, for a mutual give and take before the final agreement is reached or the final settlement is arrived at. Essentially, a successful collective bargaining is an exercise in graceful retreat without seeming to retreat. The parties normally ask for more or offer less than they ultimately accept or give. The proposition is not viewed as being within the rules of the game. One of the most damaging criticisms is that a party is adamant in holding to its original position. Before retreating with as much elegance as circumstances permit, each party seeks to withdraw as little as possible.
13. This involves ascertaining the maximum concession of the opposing negotiator without disclosing ones own ultimate concession. In this sense, all negotiations are exploratory until the agreement is consummated.
14. **It is a two-party process:** It is a mutual give-and-take rather than a take-it-or-leave-it method of arriving at the settlement of a dispute. Both parties are involved in it. Collective bargaining can work only with the acceptance by labor and management of their appropriate responsibilities. It can succeed only when both labor and management want it to succeed. It can flourish only in an atmosphere which is free from animosity and reprisal. There must be attitudes which will result in harmony and progress.

3. **It is industrial democracy at work:** Industrial democracy is the government of labor with the consent of the governed* the workers. The principle of arbitrary unilateralism has given way to that of self-government in industry.
16. Collective bargaining is not a mere signing of an agreement granting seniority, vacation and wage increases. It is not a mere sitting around a table, discussing grievances.
17. **Basically, It is democratic:** It is a joint formulation of company policy on all matters which directly affect the workers in a plant. It is self-government in action. It is the projection of a management policy which gives the workers the right to be heard. It is the establishment of factory law based on common interest.
18. Collective bargaining is not a competitive process but it is essentially a complementary process, i.e. each party needs something that the other party has, namely, labor can make a greater productive effort and management has the capacity to pay for that effort and to organize and guide it for achieving its objectives.

FUNCTIONS OF COLLECTIVE BARGAINING

The following are the functions of Collective Bargaining:



(I) Process of Social Change

Collective Bargaining acts as a technique of long-run social change as it effects changes in the power hierarchy of competing groups. It helps the inferior social class attain a bigger share in the social sovereignty as well as more welfare, security and liberty. It manifests itself equality in politics, legislation, court litigation, government administration, religion, education and propaganda.

(II) Peace Treaty

It serves as a peace treaty between two parties in continual conflict. However, the settlement b/w the two parties is a compromise. With this compromise, each party may be satisfied

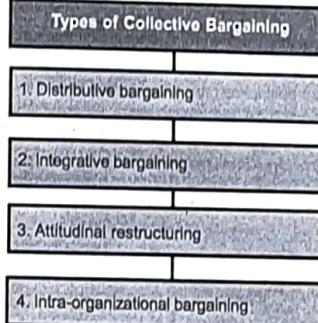
temporarily but each would like to modify it at the earliest opportunity. In majority of cases, collective bargaining agreements are signed before either opponent's shot a fire.

(III) Industrial Jurisprudence

It is a method introducing civil rights into industry. It establishes rules which define and restrict the traditional authority exercised by employers over their employees. It facilitates to place part of the authority under joint control by union and management. Labour and management will cooperate and work together over certain stated period according to a legislative process. It is an executive process as both management and trade union officials share the responsibility of enforcing the rules.

TYPES OF COLLECTIVE BARGAINING

A collective bargaining process generally consists of four types of activities- distributive bargaining, Integrative bargaining, Attitudinal restructuring and Intra-organizational bargaining.



1. Distributive bargaining

It involves haggling over the distribution of surplus. Under it, the economic issues like wages, salaries and bonus are discussed. In distributive bargaining, one party's gain is another party's loss. This is most commonly explained in terms of a pie. Disputants can work together to make the pie bigger, so there is enough for both of them to have as much as they want or they can focus on cutting the pie up, trying to get as much as they can for themselves. In general, distributive bargaining tends to be more competitive. This type of bargaining is also known as conjunctive bargaining.

2. Integrative bargaining

This involves negotiation of an issue on which both the parties may gain or at least neither party loses. For example, representatives of employer and employee sides may bargain over the better training programme or a better job evaluation method. Here, both the parties are trying to make more of something. In general, it tends to be more cooperative than distributive bargaining. This type of bargaining is also known as cooperative bargaining.

3. Attitudinal restructuring

This involves shaping and reshaping some attitudes like trust or distrust, friendliness or hostility between labor and management. When there is a backlog of bitterness between both the parties, attitudinal restructuring is required to maintain smooth and harmonious industrial relations. It develops a bargaining environment and creates trust and cooperation among the parties.

4. Intra-organizational bargaining

It generally aims at resolving internal conflicts. This is a type of maneuvering to achieve consensus with the workers and management. Even within the union there may be differences between groups. For example, skilled workers may feel that they are neglected or women workers may feel that their interests are not looked after properly. Within the management also, there may be differences. Trade unions maneuver to achieve consensus among the conflicting groups.

REVIEW QUESTIONS**Conceptual Type**

1. What is Industrial Relations?
2. Why are industrial relations important?
3. What are the objectives of industrial relations?
4. What is an industrial dispute?
5. How do industrial disputes affect productivity?
6. What are individual disputes?
7. Define collective disputes.
8. What are economic disputes?
9. What is a non-economic dispute?

Industrial Relations

10. What are interest disputes?
11. What are rights disputes?
12. What is a recognition dispute?
13. What is grievance redressal?
14. Why is grievance redressal important?
15. What is the first step in grievance redressal?
16. What is collective bargaining?
17. Why is collective bargaining important?
18. What are the main objectives of collective bargaining?
19. What does collective bargaining achieve for employees?
20. What is the main objective of collective bargaining?
21. How does collective bargaining help in wage fixation?
22. How does collective bargaining promote industrial peace?
23. What does collective bargaining secure for workers?
24. What is the first step in collective bargaining?
25. What role does negotiation play in collective bargaining?
26. Who prepares for collective bargaining?
27. What is discussed during collective bargaining sessions?
28. What is distributive bargaining?

Descriptive Type

1. What are the key objectives of Industrial Relations?
2. Discuss the importance of maintaining healthy industrial relations in an organization.
3. How do industrial relations contribute to achieving organizational goals?
4. Describe the different types of industrial disputes.
5. How do industrial disputes affect the productivity of an organization?
6. What measures can be taken to prevent industrial disputes?
7. What are individual disputes in industrial relations?