



COLLATE

Industrial Management

Notes

UNIT - 1

SOURCE : COLLATE

Industrial Management

ETMS-311

①

Unit-1 (ii) Industrial relations:- Definition and main aspects.

Industrial disputes and strikes. Collective bargaining.

(ii) Labour legislation:- Labour management cooperation / workers

Participation in management. Factory legislation
International labour organization.

Industrial Management :- is the branch of ~~energy~~ engineering that deals with the creation and management of systems that integrate people and materials and energy in productive ways.

Industrial management is an academic field that brings together the knowledge of the interaction b/w Management and Technology.

The word management refers to handling organization while industrial refers to the developments of the 'industrial revolution' in (the 19th century) and the till current mass production System.

1.30-1.38 2.10 3.00
1.20 2.10 3.50
2.10 3.00
3.50

• when we speak about "industrialized" companies, usually are somewhat large-scale, systematically managed, i.e. there's a high degree of specialization and standardization.

One good example is H&M. H&M sell lots of clothes (high volume) to a low price. That's only possible because they are producing in masses.

These two terms (~~management & technology~~) are closely related since industrial management gives engineers the skills to understand technical implications of management decisions, as well as the business implications of technical decisions.

In order to be successful it is important that they understand both fields, and how they relate to each other.

The point of departure is mostly the operations of industrial firms and the value creating processes for these operations.

From there, the development, improvement and control of the value-creating processes are the key issues of the field.

Industrial Engineers Responsibilities:- As an ^③ Industrial Engineer, you are able to optimize the production and manufacturing processes.

Industrial Engineers deal with the following Problems →

- 1) Where, in a factory, should machines be located, so that the time it takes for each produced commodity to pass through the manufacturing process to be minimized?
- 2) How much inventory should be kept, in order to satisfy customer demand? At the same time, how can we minimize the costs of inventory holding?
- 3) Where should production plants be opened, so that the costs of transporting finished products to customers be minimal?
- 4) How can products be distributed worldwide in a cost efficient manner?
- 5) How can the quality of care in a hospital be improved by means of changing the hospital's information system?

Some careers perspectives for Industrial

- (1) service industries
- (2) logistics providers
- (3) manufacturing industries
- (4) consulting & engineering services
- (5) research and development firms
- (6) wholesale trade
- (7) Healthcare industry, in firms which provide professional, scientific & consulting services.

Industrial relations :— simply the relation b/w the management & workers in industry

Definition :—

"Industrial relation is defined as relation of individual or group of employee and employer for engaging themselves in a way to maximize the productive activities".

- Industrial relations has become one of the most delicate and complex problems of modern industrial society. —
- Industrial progress is impossible without cooperation of labors and harmonious relationships .
- Therefore, it is in the interest of all to create and maintain good relations b/w employees (labor) and employers (management).)

industrial relations involve attempts at arriving at solutions: ~~to~~

- ① B/w the conflicting objective & values
 - ② B/w the profit motive & social gain
 - ③ B/w discipline and freedom
 - ④ B/w authority and industrial democracy
 - ⑤ B/w bargaining & co-operation
 - ⑥ B/w conflicting interests of the individual the group & the community.
-

Conflict B/w labour & management: -

- ① Both labour as well as management have different orientations & perceptions which generate generally negative images about each other.
- ② Both the groups claim complete rationality for their demand; because there are no mutually accepted norms to guide their behaviour in the pursuit of their objectives.
- ③ Both the groups don't come on the negotiation table with a clean slate. They bring with them some carry over effect from the past which signifies the existence of conflict b/w the labour and the management.

concept of Industrial Rel.

The term 'Industrial relations' con of two terms, 'Industry & Relations'. :
while

- Industry refers to an active activity in which an individual (group of individuals) is (are) engaged.
- By relations we mean relationships that exist within the industry b/w the employer & his workmen.
- The term industrial relations explains the relationship b/w employees management which stems directly or indirectly from union - employer relationship.
- The term industrial relations has a broad as well as narrow outcome.
- Originally, industrial relations was broadly defined to include the relationships & interactions b/w employer and employees.
- From this perspective, industrial relations covers all aspects of the employment relationship including human resource management, employee relations and union management (labor) relations.

Industrial relations pertains to the study & practice of collective bargaining, trade unionism and labour management relations while human resource management is a separate largely distinct field that deals with non-union employment relationships and the personnel practices & policies of employers.

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

Objectives of Industrial Relation

The main objectives of industrial relation system are: →

- ① To safeguard the interest of labor management by securing the highest level of mutual understanding & good will among all those sections in the industry which participate in the process of production.
- ② To avoid industrial conflict or strife & develop harmonious relations, which are an essential factor in the productivity of workers & the industrial progress of a country.
- ③ To raise the productivity to a higher level in an era of full employment by lessening the tendency to high turnover and frequent absenteeism.
- ④ To establish and promote the growth of an industrial democracy based on labor partnership in the sharing of profits & managerial decisions, so that ~~both~~ individuals personality may grow its full stature for the benefit of the industry and of the country as well.

③ To eliminate or minimize the number of strikes, lockouts and gheraos by providing reasonable wages, improved living & working conditions, said fringe benefits.

- ④ To improve the economic conditions of workers in the existing state of industrial managements & political government.
- ⑤ Socialization state itself a major employer of industries by making the

Importance of Industrial Relations:

Good industrial relations refer to maintenance of harmonious relations b/w the labour union & the ~~the~~ management in an organisation. In other words, in such a situation, there is absence of industrial disputes b/w the two parties & a situation presence of understanding & cooperation b/w them.

- ① Contribution to Economic Growth:— Good industrial relations lead to increased efficiency and hence, higher productivity & income. This will result in economic growth of the economy.
- ② Establishment of Industrial Democracy
→ A business enterprise with good industrial relations settles industrial disputes and solves

other common problems of the employees through collective bargaining, mutual negotiations, mutual cooperation & mutual agreement amongst the parties. This assists in establishment of industrial democracy in the organisation which motivates employees to contribute their best to the success of the organisation.

(iii) High morale of workforce: Good industrial relations imply the existence of an atm of mutual co-operation, confidence, & respect within enterprise. In such an atm, there are common goals & also common approach to achieve the goals, which motivates all members of the organisation to contribute their best to the situation. Consequently, there is higher productivity, higher income & increased job satisfaction; all resulting in high morale of the workforce.

(iv) Enactment of sound labour legislation:—

The process of creating & sustenance of good industrial relations involves setting up a machinery to solve problems confronted by management & employees through mutual agreement.

results in putting a fullstop on the unfair practices⁽¹⁾
unions & employers.

Optimum Use of Resources :- Harmonious industrial relations create a sense of belongingness & also a favourable environment resulting in almost complete absence of industrial unrest, grievances & disputes.

This obviously ensures optimum use of human as well as non-human resources.

Essentials of Good Industrial Relations :-

- (i) Mutual Trust.
- (ii) Sound Personnel Policies
- (3) Collective Bargaining: (negotiation b/w an employer & a labour union usually on wages, hours, & working conditions.)
- (4) Management Support:-
- (5) Training of supervisors.
- (6) Co-operation with Government Agencies:
- (7) Workers' Education.

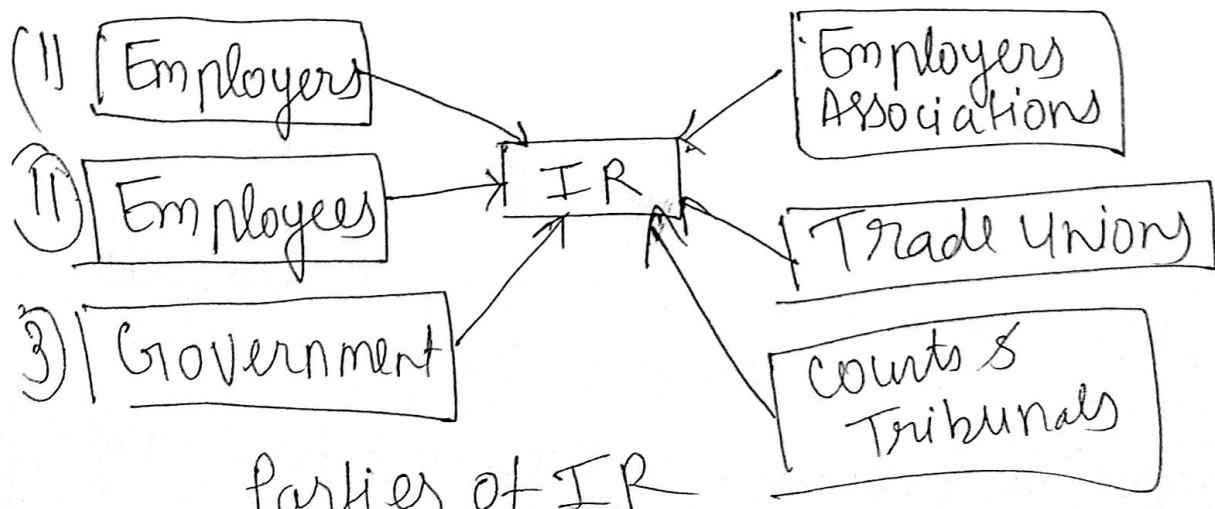
Aspects of Industrial Relations :-

- (1) ~~Person~~ Relations b/w individual employees & managers(s), called personnel relations.
- (2) Collective relations b/w labour unions & management, called labour management relations.

Nature of Industrial Relations:-

- ④ IR are not solely determined by direct relationship.
- ④ do not constitute a simple relationship
- ④ They are complex & multi-dimensional
- ④ Interdisciplinary approaches to their study.
- ④ If we make industrial disputes the centre of a circle, it will divided into various segments.
 - ④ Economic - {study of conditions of work, levels of wages & security of employment}
 - ④ History - Origin & development.
 - ④ Sociology - Social conflicts.
 - ④ Social psychology, Attitudes of the combatants
 - ④ Cultural anthropology: - {Cultural interactions}
 - ④ Legal: - legal aspects of disputes.

Participants or Variables in IR:



Disputes & Settlement

(13)

Industrial Unrest and Disputes:-

- ④ Industrial place - fundamental → success of industry.
- ④ goals can be achieved in atm of peaceful cooperation
 - * almost mutual trust
 - * fail dealing
- ⑦ But IR frequently किनारे clouded by a शोषण की गाहा sense of exploitation
 - * distrust & discontent
- ⑧ They give rise to industrial conflicts or disputes.
 - * शोषण असत्तेष्ठ
- ⑨ If unrest is most actual problem - industry - because it endangers place in the industry.
- ⑩ Symptoms of I unrest -
 - * high labour turnover
 - * disciplinary problems, * high absenteeism
 - * tardiness * low morale * restriction of output
- ⑪ Industrial unrest in the form of strikes & lockouts leads to cessation of work due to which the interests of the management, workers & the community suffer.

Definition of Industrial Dispute (प्रवाद)

according to section 2 of the Industrial Dispute Act, 1947.

Industrial dispute means any dispute or difference b/w employers & employees or b/w employers & workmen or b/w workmen & workmen, which is connected with the employment or non employment or the terms of employment or with the condition of labour of any person.

- *) Industrial disputes are symptoms of industrial unrest.
- *) It may take either unorganised or organised form.
when
- *) Unorganised — It is manifested in the form of low morale, low productivity, frustration etc.
- *) Organised — It includes strikes, demonstrations, gheraos, lockouts etc.
- *) Divided into 2 types
- *) Individual — Related to reinstatement, compensation for wrongful termination
- *) Collective — Related to wages, bonus, profit & hourly hours of work etc.

Weapons of labour → workers generally resort to one or more of the following weapons

1) Strike 2) Boycott 3) Picketing 4) Gherao.

Strike : —
*) Strike is the most powerful weapon for forcing the mgt. to accept their demands.
*) It means quitting work by a group of workers for the purpose of bringing pressure on their employer to accept their demands.
*) Acc. to Industrial Disputes Act 1947, It means a cessation of work by a body of persons employed in an industry acting in combination: or a concerted refusal of any no. of persons who are or have been so employed to continue to work or to accept employment. or a refusal under a

(15)

of Strikes :-

Economic Strike : → Related to - increase in wages, travelling allowance, house rent allowance, dearness allowance & other facilities such as increase in privilege leave & casual leave.

- 2) General Strike : → Such a strike is organised to force demands which are common to all the workers.
- 3) Hunger Strike : — Workers collectively refuse to take food to put pressure on the employer for conceding their demands. ~~to know~~
- 4) Sympathetic Strike : — The members of a union collectively stop work to support or express their sympathy with the members of other unions who are ^{on} ~~about~~ strike in the other undertakings. ^{place}
- 5) Stay-in Strike : — When workers do not leave ~~their place of~~ work, but stop work. They keep control over production facilities but do not work.
- 6) Slow Down Strike : — Workers remain on their jobs & they do not stop work. But restrict the rate of output in an organised manner. They adopt go-slow tactics to put press. on the employer. ^{offices}
-
- 7) Boycott : → The workers may decide to boycott the company by not using its products.
- It is a coercive method whereby the management is forced to accept their demands since the boycott affects the marketability of its products. ^{losses}
- 8) Picketing : → When workers are dissuaded from work stationing certain men at the factory gate
- If it does not involve any violence, it is perfectly legal
- Method of drawing the attention of public towards the fact in a dispute b/w the mgmt. & workers.

①) Lock-out:— It is declared by the employers to put pressure on their workers.

It is an act on the part of the employers to close down the place of work until the workers agree to resume the work on the terms & conditions specified by the employers.

Generally it is declared a threat or a warning b/w the mgt. & its employees.

②) Gherao:— The term gherao denotes a collective action initiated by a group of workers under which members of the management of an industrial establishment are prohibited from leaving the business or residential premises by the workers who block their exit through human barricade.

Weapons of Management:

- 1) Employers Association:— Unions which may collectively oppose the working class & put pressure on the trade unions.
- 2) Lockout:— Pressure on the workers.
- 3) Termination of service.

Causes of Industrial Disputes:

- 1) Economic Causes:—
a) Demand for increase in wages on account of increase in All India Consumer Price Index.
b) Industrial workers. (Demand for increase in wages and for higher gratuity & other retirement benefits.)

1) Demand for higher bonus

2) Demand for certain allowances such as house rent allowance, medical allowance, night shift allowance, conveyance allowance.

3) Demand for paid holidays.

4) Reduction of working hours

5) Better working condition.

(i) leaves - annual or casual.

2) Political causes:-

(i) Trade unions in India are controlled by various political parties.

(ii) In many cases, their leadership vests in the hands of persons who are more interested in achieving their political interests rather than the interests of labourers.

3) Personnel causes:- lay off, retrenchment, lay off, transfer, promotion etc.

4) Indiscipline:- It also take place because of indiscipline & violence on the part of the workforce. Lockout may be resorted to by the mgt. to curb indiscipline & violence.

Causes of Industrial Disputes in India

- 1) Wages & Allowances
- 2) Personnel & Retrenchment
- 3) Bonus
- 4) Discipline & Violence
- 5) Leave & Hours of Work
- 6) Miscellaneous causes: - It include Modernisation & introduction of automatic machinery, political factors etc.
 - 1) Change of factory location.
 - 2) Working condition & methods
 - 3) Lack of proper communication.
 - 4) Behaviour of supervisors.
 - 5) Trade union rivalries etc.

Adverse Effects of Poor Industrial Disputes:

- ① Tense Relations: → Tension in organization increases because of poor working environment.
- ② Aim at breakdown of communication & lack of trust b/w the mgt. & workers.
- ③ It becomes very difficult to expect cooperative attitude from the workers & trade unions.

Lower Morale: → Because of tension in industry workers interest in work is diminished leading to higher absenteeism & labour turnover. As a result, the morale of the workforce goes down.

3) Frustration Among Employees: → Employees work in an organization for the satisfaction of their physical, social & egoistic needs.

In an environment with uncomfortable industrial relations, they find it difficult to satisfy their needs. This will obviously lead to frustration among them.

4) Intensification of Social Tension

5) Resistance to change.

6) Impact on the Economy.

7) Lower profitability.

8) Agony to workers & their families.

Measures to Improve Industrial Relations:-

(i) Atmosphere of Mutual Trust:-

(1) Industrial Democracy

(2) Effective communication

(3) Fair personnel policies

(4) Effective implementation of Agreement

(5) Proactive management

(6) Role of Govt.

(7) Strong unions

- Build
qui
- ① Atm of mutual Trust—
 - * Both mgt & labour-help in development of an atm of mutual cooperation, confidence & respect.
 - * Should adopt a progressive outlook & should recognise the rights of workers.
 - * faith in collective bargaining & peaceful methods of settling disputes.

② Effective communication:-

- * Blocking in comm. should be removed
- * Effective system of two-way comm.
- * New policy introduction
 - * It help in minimising resistance to change, eliminating unnecessary misunderstandings.

③ Fair personnel policies:-

- * Should be formulated in consultation with representatives of employees.
- * Reviewed periodically
- * Implement uniformly throughout the organisation

④ Proactive Management:-

- * Should anticipate problems & take timely steps to solve
- * Challenges must be anticipated before they arise otherwise cause greater discontent.

Q. 3 Strong unions:-

(4)

- ① Build strong unions which will negotiate with mgt.
- ② guide the workers to improve productivity & quality.
- ③ Economic & social interests of the workers.

④ Industrial Democracy:-

- ① Encourage the workers.
- ② help in improving communication & trust b/w them.
- ③ allow workers to actively participate in improving Productivity & quality.

⑤ Effective Implementation of Agreements -

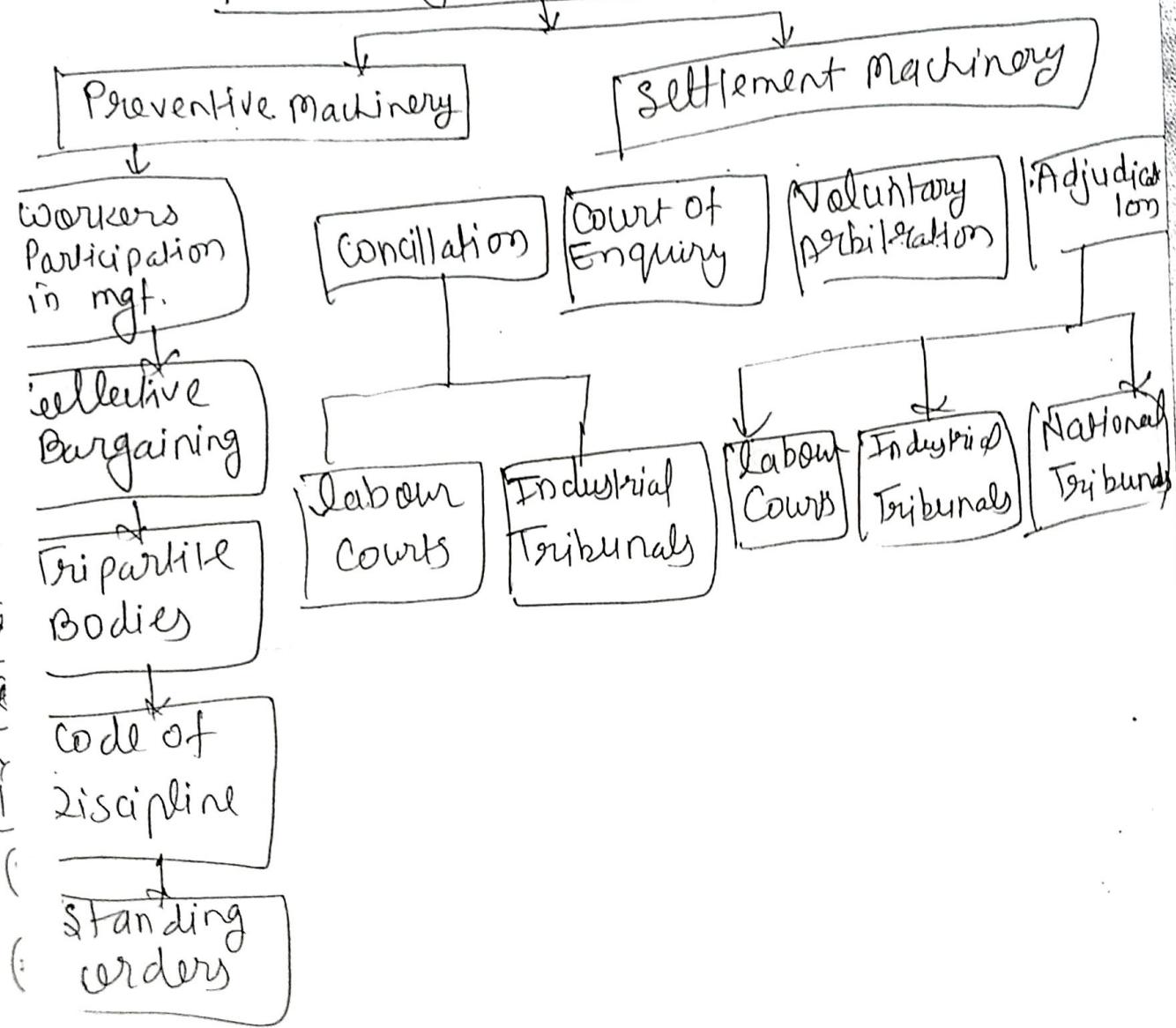
- ① Should be sincerely administered
- ② otherwise IR may start getting tense.

⑥ Role of Govt →

- ① Govt. play important role in protecting interest of the workers.
- ② ensures smooth relation by enacting & enforcing various labour law.
- ③ must monitor & regulate IR for Industrial peace.
- ④ When mgt & worker fail to settle disputes, then govt. should intervene.

- Industrial Relations Machinery in India:**
- (*) causes of industrial disputes should be eliminated
 - (*) preventive steps should be taken
 - (*) If preventive machinery fails the industrial settlement machinery should be activated by govt.
 - (*) because non-settlement of disputes will prove very costly.

Machinery for Handling of ID



Prevention of Industrial Disputes:

The preventive machinery has been set up with a view to creating harmonious relations b/w labour & mgt. so that disputes do not arise.

a) Tripartite Bodies: →

- * IR have been shaped largely by principles & policies evolved through tripartite consultative machinery.
- * The Aim of Tripartite cm is 'to bring the parties together for mutual settlement of differences'
- * Indian Labour Conference (ILC) and ~~the~~ Standing Labour Committee (SLC) have been constituted to suggest ways & means to prevent disputes.
- * The representative of the workers & employers are nominated to these bodies by the Central Govt. in consultation with the All India organisations of workers & employers.
- * ILC meets once a year whereas the SLC meets as & when necessary.
- * Functions of ILC:-
 - 1) To promote uniformity in labour legislation,
 - 2) To lay down a procedure for the settlement of industrial disputes.
 - 3) To discuss matters of All India importance as b/w employers & employees.
- * The ILC advises the govt. on any matter
- * The SLC's main function is to consider and determine such que. as may be referred to it by the Plenary Conference or Central Govt.

②) Code of Discipline: →
In view of growing industrial conflict, the 15th Indian Labour Conference agreed that there should be a set of general principles of discipline which should be adopted by labour & Management voluntarily.

③ To evolve such a set of principles a tripartite sub-committee was set up.

④ The resulting draft was discussed at SLC meeting in Oct 1957

⑤ At the 16th Indian Labour Conference held in 1958, the final form of the code of discipline was approved.

⑥) Standing orders: →

⑦ To prevent the emergence of industrial strike. Over the conditions of employment one important measure is the standing orders.

⑧ The standing orders should govern the conditions of employment of the workers.

⑨ The standing orders regulate the conditions of employment from stage of entry to the organisation to the stage of exit.

⑩ S.O provide Do's & Don'ts, they act as a code of conduct for the employees during their working life within the organisation.

⑪ They define with sufficient precision the condition of employment under the employers.

⑫ These orders regulate the conditions of employment discharge, grievances, misconduct, disciplinary

ment of Industrial disputes [Judicial machinery] preventive measures seek to create an environment where industrial disputes do not arise. When they arise, ~~then~~ effort is required to be made to settle them as early as possible so that they do not lead to work stoppage.

④ The machinery for the settlement of industrial disputes has been provided under the Industrial Disputes Act 1947.

It comprises:- a) Conciliation, b) Arbitration & c) Adjudication.

Conciliation

④ Conciliation signifies third party intervention in promoting the voluntary settlement of disputes. ILO has defined conciliation as "the practice by which the services of a neutral third party are used in a dispute as a means of helping the disputing parties to reduce the extent of their differences & to an amicable settlement or agreed solution. It is a process of rational discussion of differences b/w the parties to a dispute under the guidance of a conciliator".

① Conciliation Officers: The act provides for the appointment of conciliation officers, permanently or for a limited period, for specific area or for a specific industry, to whom the industrial disputes shall be referred for conciliation.

① The Conciliation Officer enjoys the powers of civil Court; He can call & witness parties on oath.

② The Conciliation Officer examines all facts relevant to the disputed matter & then gives his judgment.

③ Board of Conciliation:-

- ④ The act also empowers the Govt. to appoint a Board of conciliation for promoting the settlement of disputes where the Conciliation Officer fails to do so within 14 days.
- ⑤ The Conciliation Board is a tripartite by the parties to the dispute.
- ⑥ The mode & procedure of the functioning of the Board are similar to those of the Conciliation Officer.

⑦ Court of Inquiry:-

- ⑧ In case the Conciliation proceeding fail to settle an industrial dispute, the Govt has yet another option of referring the dispute to the Court of Inquiry.
- ⑨ The Court is expected to give its report within six months.
- ⑩ The failure of conciliation machinery is because of the parties attitude of casualness toward it.
- ⑪ ~~Paras~~ the weakening of conciliation machinery is also caused by the political pressures on the Conciliators.

- failure of conciliation proceedings, the conciliation officer may persuade the parties to refer the dispute to a voluntary arbitrator.
- Voluntary arbitration refers to getting the disputes settled through an independent person chosen by the parties involved mutually & voluntarily.
- The provision for voluntary arbitration was made because of the lengthy legal proceeding & formalities & resulting delays involved in adjudication.
- The arbitrator submits his award to the govt. the govt. then publishes it within 30 days of its submission.

Causes for the failure of voluntary arbitration.

- Lack of arbitrators who command the confidence of the parties to the disputes.
- Law provides no appeal against the award given by arbitrator.
- Easy availability of adjudication on the failure of negotiation or conciliation
- The absence of simplified procedure to be followed in voluntary arbitration.

- ④ Adjudication : → Adjudication may be described as a process which involves intervention in the dispute by a third party appointed by the govt., with or without the consent of the parties to the dispute, for the purpose of settling the dispute.
- ⑤ The reference of dispute to adjudication at their own is voluntary when both parties agree to reference of dispute to adjudication at their own accord, &
- ⑥ It is compulsory when reference is made to adjudication by the govt. without the consent of either or both the parties to the dispute.

① Labour Courts : -

- ① The propriety or legality of an order passed by an employer under the standing orders
- ② The application & interpretation of standing orders.
- ③ Discharge & dismissal of workmen & grant of relief to them.
- ④ Illegality or otherwise ~~statutory concession~~ of any strike or lockout.

Industrial Tribunals:-

- Wages including the period & mode of payment.
- Compensatory & other allowances.
- Hours of work & rest intervals.
- Leave with wages & holidays.
- Bonus, profit sharing, provident fund.
- Rules of discipline.
- Retrenchment.

3) National Tribunals:-

- These tribunals are meant for those disputes which as the name suggests, involve the que. of national importance or issues which are likely to affect the industrial establishments of more than one state.

The employers & unions use adjudication as a primary measure of resolving disputes.

90% of disputes are referred to adjudication machinery on an average annually.

The function of adjudication machinery has not been very satisfactory, particularly because of-

- ① The delays involved.
- ② Inefficient implementation of the awards.

difference b/w Arbitration & Adjudication,

Collective Bargaining

④ Collective bargaining is called collective because the negotiations take place b/w the employer and the organisation of workers.

④ It is described as bargaining because the collective agreement is reached through a process of negotiations involving proposal.

④ It is the concept of self determination.

Definitions :— "The term collective bargaining typically refers to the negotiation, administration & interpretation of a written agreement b/w two parties that covers a specific period of time. This agreement or contract lays out in specific terms the condition of employment, that is, what is expected of employees & what limits there are on management's authority"

④ An efficient bargaining machinery includes—
1) selection of proper representatives
2) willingness to assume responsibility of full information inherent in the bargaining process
3) fact finding approach
4) availability of full information.

Advantages of collective Bargaining:

(3)

1) It is a collective process
2) It is a continuous process - It establishes regular & stable relationship b/w the parties involved.

3) It is flexible & dynamic process — The parties have to adopt a flexible attitude through the process of bargaining.

1) It is a method of partnership of workers in management. It is the way to establish industrial democracy

Subject matter of Bargaining

1) wages, including time rates, piece-rates & other incentive scheme of payment and procedure for increasing wages in the event of increase in the cost of living.

2) Canteen, transportation, housing etc.

3) Hours of work, overtime & rates of pay for overtime, rest periods etc.

4) Annual holidays & rates of pay for holidays

5) Prohibition of strike & lockouts during the period covered by the agreement.

Significance of Collective Bargaining

1) It includes the process of resolving labour-management conflicts.
2) The role of collective bargaining in solving the problems arising at the industry level has been widely recognised.

- 5) Labour legislation & the machinery for its implementation prepare a framework according to which industrial establishment should operate.
- (4) But, whatever, labour laws lay down, it is the approach of employers & trade union leaders.
- 5) The solution to common problems can be found directly through negotiation b/w both the parties in this context, the scope of collective bargaining is very wide.
- 6) Collective bargaining based on a give & take policy on both sides will develop goodwill understanding b/w labour & mgt. which in turn will help to create peaceful & comfortable atmosphere in industrial relations.

Benefits of Collective Bargaining: →

- 1) It provides a method for the regulation of conditions of employment by the direct concerned.
- 2) It provides a flexible means of adjusting wages & conditions of employment to economic & technological changes in industry.
- 3) It leads to better mutual understanding.
- 4) It leads to better implementation of decisions & cause of the direct involvement of both the parties.

Process of Collective Bargaining & Negotiation:

(33)

1) Organising & Recognition: →

1) The first thing to be done by the employees is to form a group of seven or more persons & get the trade union registered under the Act.

2) After getting the union registered, efforts should be made to increase its membership; it should enjoy the support of the majority of workers in the plant.

3) Then efforts should be made to make it the most efficient representative union so that it is recognised as the exclusive bargaining representative union so that it is recognised as the exclusive bargaining representative.

4) Once the union is recognised as the bargaining agent, each worker is covered by the negotiated contract.

2) Preparation for Negotiation: →

* It is basically composed of three activities:
① Goal setting & Strategy development.
INTER—employee performance reports, overtime figures, reports on transfers, turnover & absenteeism.

② Data collection
fact gathering
from both internal & external sources.

~~external — statistics on the current economy, economic forecasts for short terms, data on the communities in which the company operates.~~

- ④ with the above mentioned information in hands the establishment of tentative goals, management must develop strategy for dealing with the union's demands.
- 3) Negotiation:—
At the first meeting, the representative of labour formally present their specific proposals for changes in the existing labour agreements
- At succeeding meeting, management submits counter-proposals.
- 4) Contract Administration: → final phase.
For effective administration of the contract & to have harmonious industrial relations in the organisation, the contract must spell out a procedure for handling contractual disputes.
- Almost all collective bargaining agreements contain formal procedures to be used in resolving grievances over the interpretation & application of the terms of contract.

- ~~Economic
units~~
- Basic considerations in collective Bargaining⁽³⁾
- Effective negotiations & enforcement requires a Systematic preparation of the base or ground for bargaining which involves the following three steps:-
- ① Recognition of the Bargaining Agent:—
- * The bargaining agent of the workers should be properly identified before initiating any action.
- ② Deciding the level of Bargaining:—
- * Whether the dealings are confined to enterprise level, industry level, regional or national level should be decided as the contents, scope & enforcement agencies.
- ③ Determining the scope & coverage of Bargaining:—
- * Clear understanding of what are the issues to be covered under bargaining? So the important & interrelated issues are to be taken for consideration.
- ④ Problems in collective Bargaining
- ⑤ Suggestions to make collective Bargaining effective
- ⑥ Worker participation in mgt.