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MANAGING CAREERS – PROMOTION, DEMOTION, TRANSFERS

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2.1.0 2.1.0 Learning Object: Managers confront a new type of problem. Traditional views that every employee would jump at the chance for promotion, that competent people would somehow emerge within the organization to fill vacancies that arose are no longer true. Lifestyles are changing. Employees got different needs and aspirations. An employee may turn down promotion if it not suiting its other needs say moving to a new place etc. if the managers are to be assured that they will have competent and motivated people to fill the organization's future needs, they should be increasingly concerned with matching the career needs of employees with the requirements of the organization.

2.1.1 Introduction

Career development programs are of recent origin. It involves tracking career paths within an organization by the management so that it can direct and monitor the progress of minorities and women, and to ensure capable managerial and technical talent will be available to meet the organization's needs

2.1.2 DEFINING CAREER

The term *Career* has a number of meanings. In popular usage it can mean advancement or a lifelong sequence of jobs. But in this chapter it means, "A sequence of positions occupied by a person during the course of a lifetime". This concept is equally relevant to unskilled laborers too and to engineers or physicians. It does not imply advancement nor success or failure. Individual career development focuses on assisting individuals to identify their major career goals and to determine what they need to do to achieve these goals. Organizational career development looks at individuals filling the needs of the organization. Hence it blends the interests of both the individual within the organization and the organization itself. Career development involves tracking career paths within an organization by the management so that it can direct and monitor the progress of minorities and women, and to ensure capable managerial and technical talent will be available to meet the organization's needs. A successful career development program should look toward developing people for the long term needs of the organization and be capable of dealing with the dynamic changes that will take place, over time, in attempting to match individual abilities and aspirations with the needs of the organization.
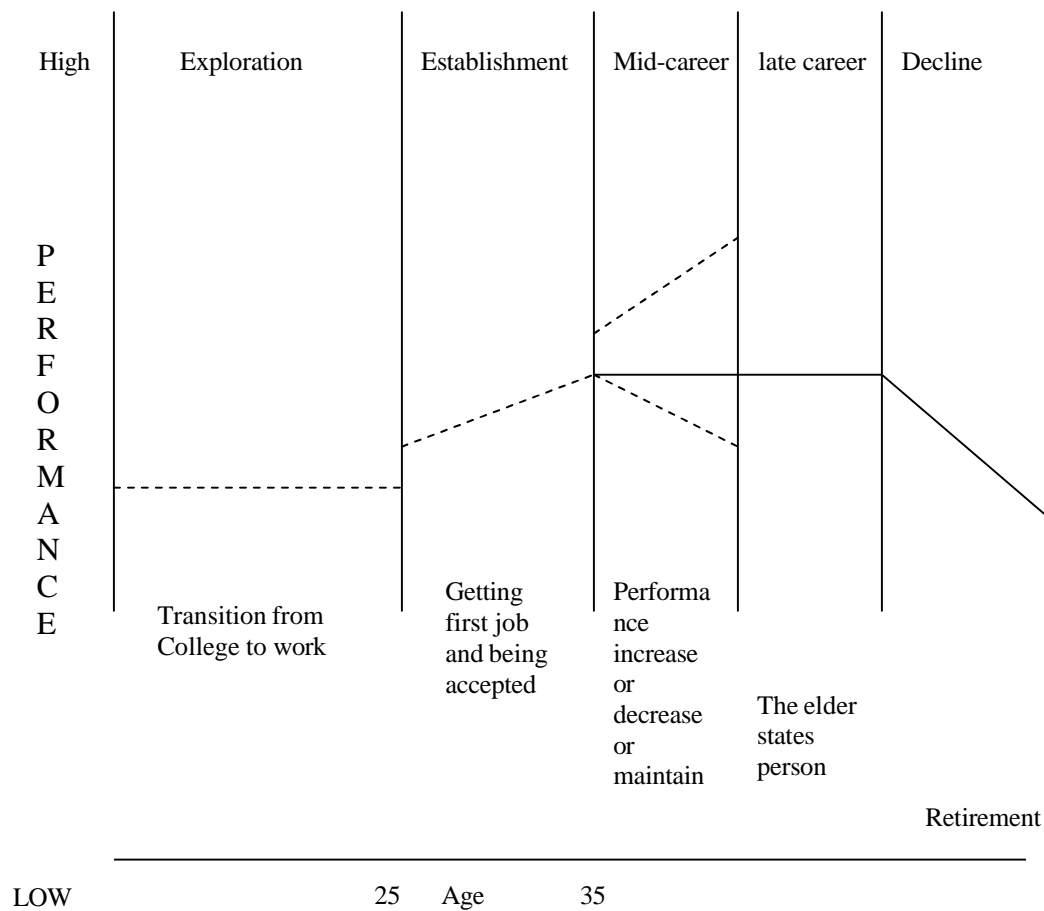
According to Edwin B. Flippo, "a career is a sequence of separate but related work activities that provides continuity, order and meaning in a person's life"

According to Douglas T. Hall, "an individually perceived sequence of attitudes and behaviors associated with work related experiences and activities over the span of

the person's life"

Career Stages: career can be analyzed based on the career stages. These stages include exploration, establishment, mid-career, late career and decline.

Fig 1. Shows the stages in career development

High   Exploration   Establishment   Mid-career   late career   Decline

P
E
R
F
O
R
M
A
N
C
E

Transition from
College to work

Getting
first job
and being
accepted

Performa
nce
increase
or
decrease
or
maintain

The elder
states
person

Retirement

LOW   25   Age   35

(Source: D.E. Super and D.T. Hall, Career Development, Annual Review of Psychology)

Exploration: it is a career stage that usually ends in ones mid-twenties as one makes the transition from college to work. This stage has the least relevance from the organizational point of view as it happens prior to employment

Establishment: it is a career stage in which one begins to search for work. It includes getting one's first job. It takes many years to search for a right job. The problems of this stage include making mistakes, learning from those mistakes and assuming increased responsibilities.

Mid-career stage: this stage is market by a continuous improvement in performance, leveling off in performance or the start of deterioration in performance. Remaining productive at work is a major challenge of career at this stage

Late career: a career stage in which one is no longer learning about his or her job. Usually a pleasant stage, the employee can rest on his laurels and gain the respect of younger employees

Decline stage: this is the final stage of one's career, usually marked by retirement. It is the hard stage for those who have achievements in the earlier stages. After decades of continuous success and achievements, one has to retire from the service.

2.1.3 PROMOTION: MEANING AND SIGNIFICANCE

Promotions and transfers are a mode of internal mobility within an organization. It may take place between jobs in various departments. External mobility occurs when organization recruit outside person for a job opening.

According to Edwin P. Flippo, "a promotion involves a change from one job to another that is better in terms of status and responsibility"

According to Scott and Spreigal, "a promotion is the transfer of an employee to a job that pays more money or that enjoys some preferred status".

Promotion involves three elements:

- Transfer of an employee to one having more prestige, better status, more benefits and privileges

- Reassignment of an employee to a position have increased responsibilities

- Higher job grade

Thus, if an employee's salary is increased without corresponding change in the job grade it is upgrading not promotion. If there is an increase in responsibility without an increase in pay. It may be called a 'dry promotion'. If an employee is placed on a job involving similar responsibilities, it is called transfer and not promotion, irrespective of the fact that there is an increase in his earnings.

Significance:

(1) To put the employee in a position where he will be of greater value to the company

(2) To develop competitive spirit and zeal in the employees to acquire the skill and knowledge required by higher level jobs

(3) To develop internal source of motivated employees by utilizing internal pool of employees rather than outsiders

(4) To promote employee self development and make them await their turn of promotion. It reduces labour turnover

(5) To build up morale, loyalty and a sense of belongingness on the part of the employees

(6) To promote employees' interest in training and development programmes

(7) To reward committed, loyal and deserving employees and to encourage employees to succeed in the organization.

According to Watkins, Dodd and others, the purposes of promotion are:

(1) to furnish an effective incentive for initiative, enterprise and ambitions

(2) to conserve proved skill, training and ability

(3) to reduce discontent and unrest

(4) to attract suitable and competent workers and

(5) to suggest logical training for advancement

2.1.4 PROMOTION POLICY

In every organization there should be a sound base for promotion. It is the responsibility of the personnel department to develop a sound promotion policy. A sound promotion policy should be based on the following principle:

(1) It should be in writing

(2) It should lay down what percentage of vacancies in higher levels of hierarchy are to be filled up by promotion

(3) It should mention the basis of promotion – seniority or merit or a combination of both

(4) It should be based on proper job analysis so that one job position prepares workers for another and natural course of advancement throughout the organization occurs

(5) It should be closely knit to training programmes

(6) A scientific procedure for evaluating employee performance should be followed

(7) Promotion should occur at the recommendation of immediate supervisor, and by top executive with the advice of personnel department to ensure fairness in promotion

(8) A vacancy should be notified in advance to allow interested employees to prepare and apply

(9) The promotion should be based on probation to let the worker perform satisfactorily before becoming permanent

(10) It should not be forced and should contain a provision for the challenge to a particular promotion by the employee or the union

2.1.5 BASES OF PROMOTIONS

The well established bases of promotion are:

(A) Seniority: it means length of recognized service in an organization. Under seniority basis the senior most person in the lower grade shall be promoted as and when there is an opening in the higher position. The logic behind considering the seniority as a basis of promotion is that there is positive correlation between the length of service in the same job and the amount of knowledge and the level of skill acquired by an employee in an organization. Its advantages are:

a. It is relatively easy to measure the length of service and to judge seniority

b. Trade unions generally emphasis on seniority rather than merit as a basis of promotion

c. The employees trust this method as there is no scope for favoritism, discrimination and judgment

d. Security and certainty also occurs in this method. Employees can predict when and how he will be promoted.

e. It minimizes the scope for grievances and conflicts regarding promotion

f. Seniority basis of promotion helps in reducing labour turnover because an employee will hesitate to give up his seniority in the organization.

Limitations:

a. It is not necessary that employees learn more with the length of service. The learning capability may diminish after a certain age.

    b. It demotivates the young and more competent employees and this may result in more labour turnover

    c. It kills the zeal and interest for self development as everybody will be promoted without showing any all round growth or promise

    d. Judging the seniority may be difficult in practice with factors like service in different organization, job seniority, company seniority, trainee etc.

(B) Merit as a Basis of Promotion

Merit means ability to work. It denotes an individual employee's skill, knowledge, ability, efficiency and aptitude as measured from educational, training and past employment record. If merit is adopted as the basis of promotion the most able person in the lower grade, no matter he is junior most in the company, will be promoted. It encourages all employees to improve their efficiency. Management personnel generally prefer merit as the basis of promotion. Merit may be determined by job performance and by analysis of employee potential through written or oral examinations or personal interviews etc. It ignores the value of experience.

Advantages:

    a. The skills of an employee can be better utilized at a higher level. It results in maximum utilization of human resources in an organization

    b. Competent employees are motivated to exert more

    c. It continuously encourages the employees to acquire new skills, knowledge etc. for all round development.

Limitations:

    a. Measuring merit is not always easy

    b. Many employees and trade unions distrust the management's integrity in judging merit

    c. The techniques of merit measurement are subjective

    d. The purpose of promotion may not be served if merit is taken as the sole criteria for promotion.

(C) **Seniority Cum Merit Basis**

A combination of both seniority and merit may be considered as a sound basis of promotion. Management mostly prefers merit as the basis of promotion. But, trade unions favour seniority as the sole basis for promotion. The best policy would be to ensure that whenever there are two employees of equal seniority, merit or ability should be the decisive factor in promotion, however, if there are two employees of equal competence, seniority should be the decisive factor. Hence, a combination occurs to be a better basis of promotion.

2.1.6 DEMOTION: MEANING

Demotion is just opposite to promotion. In demotion, the employee is shifted to a job lower in status, grade and responsibilities. In the words of Dale Yoder, "demotion is a shift to a position in which responsibilities are decreased. Promotion is, in a sense, an increase in rank and demotion is decrease in rank".

2.1.7 REASONS AND IMPLICATIONS FOR HRM

There are several reasons for demoting a man from his present position. Some of these reasons are as follows:

a. Inadequacy on the part of the employees in terms of job performance, attitude and capability. It happens when an employee finds himself unable to adjust to job requirement standards, following his promotion

b. It may result from organizational staff reduction. Due to adverse business conditions, organizations may decide to lay off some and downgrade some jobs.

c. Demotions may be used as disciplinary tools against errant employees

d. If there is a mistake in staffing i.e., a person is promoted wrongly.

e. When, because of a change in technology, methods and practices, older persons are unable to adjust, or when employees because of ill health or personal reasons, cannot do their job properly.

Yoder, Heneman, Turnbull and Stone have suggested a five fold policy in regard to demotion practice:

a. A clear list of rules along with punishable offences be made available to all the employees

b. Any violation be investigated thoroughly by a competent authority

c. In case of violations, it is better to state the reasons for taking such a punitive step clearly and elaborately

d. Once violations are proved, there should be a consistent and equitable application of the penalty

e. There should be enough room for review

When an employee is demoted, his pride suffers a more severe jolt than it does when he is superseded by his junior. Demotions have a serious impact on need fulfillment. Needs for esteem and belongingness are frustrated leading to a defensive behaviour on the part of the person demoted. There may be complaints, emotional turmoil, inefficiency or resignation. Hence, some managers hesitate to demote a man. They prefer to discharge him rather than demoting him because he may not accept the lower job and will turn to be a disgruntled employee and which will create industrial problems.

2.1.8 TRANSFERS: MEANING AND PURPOSE

A transfer is a change in job assignment. It is the movement of an employee from one job to another without involving any substantial change in his duties, responsibilities, required skill, status and compensation. A transfer does not imply any promotion or demotion in status or responsibility.

According to Edwin B. Flippo, "transfer is a change in job where the new job is substantially equal to the old in terms of pay, status and responsibilities".

According to Dale Yoder, "a transfer involves the shifting of an employee from one job to another without special reference to changing responsibility or compensation."

Thus, transfer is a horizontal or lateral movement of an employee from one job, section, department, shift, plant or position to another at the same of another place, where his salary, status and responsibility are the same.

Purposes of Transfer:

Transfers may follow the following purposes:

a. To meet the organizational requirements: organizational changes may demand the shift in job assignments with a view to place the right man on the right job due to changes in technology, volume of production, production schedule, product line, job shuffling after job analysis, filling in vacancies etc.

b. To meet employees' requests: sometimes, transfer is done at the request of the employer himself. Employee may need transfer in order to satisfy their desire to work under a different superior in a department or in a different region due to varied reasons.

c. To ensure better utilization of the employees: an employee may be transferred because the management feels that he is not performing satisfactorily and adequately and may be useful elsewhere.

d. To make employees more versatile: employees may be shifted from one job to another to expand their capabilities. Job rotation may prepare the employee for more challenging assignments in future

e. To adjust the workforce: workforce may be transferred from a plant where there is less work to a plant where there is more work.

f. To provide relief to the employee: transfers may be made to give relief to employees who are overburdened or doing hazardous jobs for long periods.

g. To reduce conflicts and incompatibilities: where employees find it difficult to get along with colleagues in a particular section or department, they could be shifted to another place to reduce conflicts.

h. To penalize the employees: transfers may be effected as disciplinary measures to shift employees indulging in undesirable activities to remote, far flung areas

i. To maintain a tenure system: in senior administrative services of the Government and also in industries or where there is a system of annual intake of management trainees, the employee holds a certain job for a fixed tenure but is made to move from job to job with a view to enable him to acquire variety of experience and skills and also to ensure that he does not get involved in politicizing informal groups

j. To accommodate family related issues: family related issues cause transfers, especially among female employees. When they get married, the female employees want to join their husbands and this fact necessitates transfers or resignations.

Types of transfers:

(a) On the basis of Purpose:

    i.   Production transfers: due to shortage or surplus of workforce in one department to another at the same level

    ii.   Replacement transfers: one employee replaces another employee at the same level when the latter is laid off or shifted

    iii.   Versatility transfers: employees are transferred on various jobs of similar nature

    iv.   Shift transfers: when the unit runs in shifts, employees are transferred from one shift to another on similar jobs

    v.   Remedial transfers: when the initial placement of an employee has been faulty

    vi.   Precautionary transfers: to avoid misuse of funds or office position

b.   On the basis of Unit

    i.   Sectional transfers: transfers from one section within the department to another section

    ii.   Departmental transfers: transfers from one department within a plant to another department if the nature of the work is same substantially say clerical jobs

    iii.   Inter-plant transfers: transfers from one plant to another

Assignment: 1. Explain the meaning, significant and policies of promotion.

          2. Examine merits and demerits of promotion by seniority.

2.1.9 TRANSFER POLICY AND OTHER ASSOCIATED ISSUES

A sound, just and impartial transfer policy should be evolved in the organization to govern all types of transfers and to avoid transfers on arbitrary basis or on petty requests.

Such a policy must be made on following principles:

(a) Transfer policy must be in writing and be made known to all the employees in the organization

(b) The policy must very clearly specify the type and the circumstances under which company initiated transfers will be made

(c) Basis for transfer should be clearly mentioned in the policy. Whether it will be based on seniority or on skill and competence or any other factor

(d) It should indicate the executive who will be responsible for initiating and approving the transfers

(e) The policy should specify the region or unit of the organization within which transfers will be administered

(f) The effect of the transfer on the pay and seniority of the transferred is required on the new job

(g) Transfers should be clearly defined as temporary or permanent

(h) The interests of the organization are not to be forgotten in framing a policy of transfer

(i) Reasons for mutual transfer of employees or reasons to be considered for personal transfers should be specified

(j) The fact of transfer should be intimated to the person concerned well in advance

(k) Transfers should not be made frequent and not for the sake of transfer only.

Generally, line managers administer the transfers and personnel managers assist the line managers in this respect.

Problems of transfer: there are certain problems associated with transfers which are:

(a) Adjustment problems to the employee to the new job, place, environment, superior and colleagues

(b) Transfers from one place to another cause much inconvenience and cost to the employee and his family members relating to housing, education to children etc.

(c) Transfer from one place to another result in loss of man days

(d) Company initiated transfers result in reduction in employee contribution

(e) Discriminatory transfers affect employee morale, job satisfaction, commitment and contribution.

However, these problems can be minimized through formulating a systematic transfer policy.

2.1.10 SUMMARY

Career development programs are of recent origin. It involves tracking career paths within an organization by the management so that it can direct and monitor the progress of minorities and women, and to ensure capable managerial and technical talent will be available to meet the organization's needs

Promotions and transfers are activities through which an adjustment in the size of workforce of an enterprise can be made to cope with the change situations. The lateral or vertical movement of an employee within an organization is called 'internal mobility'. It may also take place between jobs in various departments or divisions.

Promotions are an advancement within an organization resulting in higher pay, responsibility and status.Demotion on the other hand results in job lower in status, grade and responsibilities.

Transfer is a change in job assignment involving movement of an employee from one job to another without involving any substantial change in his duties, responsibilities, required skill, status and compensation.

2.1.11 KEY TERMS

1. A career is a sequence of separate but related work activities that provides continuity, order and meaning in a person's life.

2. A promotion involves a change from one job to another that is better in terms of status and responsibility.

3. Merit means ability to work. It denotes an individual employee's skill, knowledge, ability, efficiency and aptitude as measured from educational, training and past employment record.

4. Seniority means length of recognized service in an organization. Under seniority basis the senior most person in the lower grade shall be promoted as and when there is an opening in the higher position.

5. Demotion is a shift to a position in which responsibilities are decreased. Promotion is, in a sense, an increase in rank and demotion is decrease in rank

6. Transfer is a change in job where the new job is substantially equal to the old in terms of pay, status and responsibilities

2.1.12 EXERCISE

Short Question

1. Describe Promotion.

2. What is Demotion?

3. What are the bases of Promotion?

Long Question

Ques.1.What are the essentials of a sound promotion policy?

Ques.2. Discuss the basis of promotion. Distinguish it from demotion. What should be the elements in a sound promotion policy?

Ques.3.What is meant by transfer? What are its various kinds? Bring out clearly the salient features of a sound transfer policy.

2.1.13 IMPORTANT REFERENCES

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BBA PART- II   PAPER : BBA-301

SEMESTER-III   PRINCIPLES OF HUMAN
                                      RESOURCE MANAGEMENT

LESSON NO. 2.2   Author : Dr. Dhiraj Sharma

TRANSFERS

STRUCTURE OF THE LESSON:

2.2.0 Objectives:

The major objectives of this lesson are to discuss:

- The nature of organizational transfers

- Purpose of transfers

- Transfers Versus Promotions

2.2.1 INTRODUCTION

Employees in an organization change jobs frequently. Workforce mobility occurs in the form of promotions or transfers. From the individual's point of view, it may signify career development, but from the organization's point of view, these changes are necessitated by various factors. The mobility might take place between jobs in various departments or divisions.

2.2.2 NEED FOR INTERNAL MOBILITY

In response to external changes in the business environment, organizations may resort to restructuring, relocation, and reorganization of jobs. At times, the objectives of the organization such as expansion and diversification may necessitate promotions or transfers. Retirements and resignations may also lead to job changes.

A promotion is an advancement of an employee to a higher position with better pay, working conditions, facilities, and challenges. The purpose of promotions is to encourage employees and reward merit. Each organization has its own promotion policy based on its corporate policy.

2.2.3 BASES OF PROMOTION

Organizations adopt different bases for promotions. Normally, the base of promotion is seniority or merit, or a combination of the two. The very purpose of promotion is to encourage employees and rewarded merit. Organizations that fail to reward excellence in service or rely too much on personal relationships or the length of service suffer in terms of both efficiency and morale. Organizations need to strike a balance between a policy of promoting from within and external recruitment. In large organizations, careful planning needs to be done as to how many positions may be filled from outside. While deciding on promotions, performance appraisals are taken into consideration vis-à-vis job postings. Career pathways usually signify the channel through which an employee moves. Promotions need to be synchronized with the job identified in the career pathways.

2.2.4 PROMOTION POLICY

Usually every organization has its own promotion policy and it is based on corporate policy. The basic characteristics of a systematic promotion policy may be summarized as follows:

• The policy should be applied uniformly to all employees irrespective their backgrounds.

• The criteria for promotion should be specified clearly.

• There should be a systematic channel of promotion applicable to all employees.

• Appropriate authority should be appointed to make judgments about the eligible candidates.

• Avenues for career counseling have to be specified to the employees to facilitate promotions and also handle rejections.

2.2.5 PROMOTIONS VERSUS RECRUITMENTS

Promotion is generally considered as a reward for excellent services rendered by the employees. Employees are encouraged to show initiative and assess their responsibilities in their jobs. At Ford, for example, employees complete the competencies based job analysis by describing the knowledge and skills required for their present job and the knowledge or skills they would like to acquire. These responses are then linked to particular vacancies within the company for which the respective managers have already prepared descriptions. However, there are certain disadvantages of this method if followed singularly. For example, if the organization decides to change its business strategy, the existing managers may not properly fit into the new positions. Even though we do not have enough research evidence to support this statement, organization usually believe in infusing new blood into the system to encourage divergent thinking.

Unless job descriptions and specifications clearly indicate the responsibilities of individuals, there is a possibility of mismatch between the individual and the job. However, decisions are made according to the need of the situation. Skilled and talented people are also available in the market and diversity at times proves to be an advantage.

2.2.6 TRANSFER

A transfer is a change in the job assignment. It may be linked with a promotion or there may not be any change at all in a status and responsibilities. We may interpret a transfer as a horizontal move of an employee requiring similar skills and at the same level of responsibility, status, and pay.

2.2.7 PURPOSE OF TRANSFER

Organizations resort to transfer to attain the following objectives:

- Organizations may transfer employees when there is a change in technology, productivity, production schedule, product line, product quality, market conditions, or organizational structure to meet the new challenges and match the right job with the right person.

- At times transfers are also administered on employees to meet their personal demands. Employees request transfers to work in their native place or where their family or spouse lives, or for any other personal reason.

- Transfers may be necessary for better utilization of employee's skills. In certain cases, employees may also be transferred to another place where their skills and capacities or expertise may be required.

- Sometimes employees may be transferred to different places or rotated in different jobs to expand their capabilities and provide them exposure to various situations and kinds of assignments.

- Transfers are also administered to provide relief and adjustment to employees who are engaged in overburdening or hazardous work for long periods.

- Transfers are also used as a disciplinary measure to desist employees from indulging in undesirable activities.

However, there are certain problems associated with transfers. At times, a transfer may be an unwelcome shift to an employee who would not like to move. There might be some adjustment problems also. There are also instances where productivity suffers because of transfer of an efficient employee. Hence, organizations need to clearly specify their transfer policy. The authority eligible to transfer issues the order for transfer specifying in unambiguous terms the time within which the transfer has to be effected and the pay and facilities attached with the transfer. As separation is a

decision initiated by either the employee or the employer, and it occurs due to long leave of absence, resignation, retirement, or death.

2.2.8 TRANSFERS VERSUS PROMOTIONS

A promotion is the appointment of a member to another position, within the same department or elsewhere in the organization, involving duties and responsibilities of a more complex or demanding nature and are recognized by a higher pay grade and salary.

A transfer is the appointment of a member to another position within the same department or elsewhere in the organization, involving duties and responsibilities of a comparable nature and having a similar pay grade and salary. In certain circumstances, the transfer may be at a lesser pay grade or salary.

A promotion is a move up the organizational ladder; job rotation and transfers are lateral moves; demotions are downward moves; and layoffs move employees out. Layoffs, in contrast to dismissals are terminations, sometimes temporary, required for business needs unrelated to worker behavior or performance. All of these changes bring about shifts in status, and often in pay, of the employees involved.

2.2.9 SENIORITY VS. MERIT

Seniority is an employee's length of service in a position, job grouping, or farm operation. An individual who has worked on a farm for three years has more seniority than one who has worked for two.

Merit, in contrast, refers to "worth" or "excellence." Merit is more difficult to measure than seniority. In the context of promotion, it relates to relevant qualifications as well as effectiveness of past performance.

In a straight seniority system—where the only factor in allocating jobs is length of service—a worker would enter the organization at the lowest possible level and advance to higher positions as vacancies occur. All prospective farm supervisors and managers would work their way up through the ranks. In a seniority system, length of service is the chief criteria for moving up the ladder.

Promotions based on merit advance workers who are best qualified for the position, rather than those with the greatest seniority. When present employees are applying for a position, a worker's past performance is also considered. Effective performance appraisal helps build trust in the system Merit is not easy to define and measure—it often requires difficult subjective evaluations. At some point, someone has to make a judgment about an employee's relative merit.

Employees may find it difficult to make a distinction between merit—because it is so hard to measure in an objective way—and favoritism.

2.2.10 ALTERNATIVES TO PROMOTIONS

At times employees may want job growth when no promotions are available. Workers sometimes fall into the trap of thinking the only evidence of career success is a promotion. Likewise, some employers feel the only way to reward good workers is to promote them.

Personnel who want a promotion will sometimes demand a change or threaten to leave for a different job. In such cases, if a promotion is not possible, employers may encourage the worker in a positive way to pursue other career possibilities with reactions such as, "Here, we don't try to keep people back," "When the need arises, we help our workers find another job," and even, "We feel we are a stepping stone to other jobs. We are pretty proud of the places our employees have gone to after working for us."

At times such attitudes are the only practical solution. But, as we see below there are plenty of circumstances where qualified employees can grow within their present position.

In considering the best strategy to use, you may ask:

(1)   Does the employee want to advance?

(2)   Does he want more responsibility or more variety?

In the latter case, the worker can be given different duties or assignments that constitute a transfer rather than a promotion.

2.2.11 LATERAL TRANSFER

A lateral transfer is a move to a position with the same or similar job title in the same pay grade. Such transfers provide opportunities to work with new colleagues, to master a different range of skills, or transfer special skills and experience to a new environment.

TRANSFERS AND JOB ROTATION

Transfers and job rotation are forms of enlargement entailing movement from one job to another of comparable responsibility. Transfers usually last for a longer term while job rotation may imply several short term job changes. In addition, some rotations are cyclical and involve going through the same set of jobs over and over.

In a bank, for instance, workers may be part of a job rotation cycle from being cashier to distributing loans. Besides alleviating possible boredom, transfers and job rotations expose workers to more tasks.

When an absence or turnover occurs, it helps to have other knowledgeable employees who can perform the vacated job. Morale can suffer when transfers require employees to relocate. A raise in pay may help assignments carry unique challenges and opportunities.

2.2.12 SUMMARY

Organizational movements, such as promotions, transfers, job rotations, demotions, and layoffs may alter workers' security, satisfaction and productivity. Arguments favoring merit-based promotions focus around worker qualifications and performance, while those based on seniority stress greater job security and protection from arbitrary treatment. Seniority tends to reward loyalty while merit promotes excellence. An effective blend may combine good points from each. Even workers who may favor promotions through merit often favor seniority- based layoffs that retain long-term employees. In contrast, arguments favoring merit layoffs stress the need to have qualified persons doing the work. Employers who feel compelled to promote from within may be forgoing the management prerogative of filling positions with qualified personnel. A successful promotion policy should neither stifle present personnel nor eliminate management's option for outside recruitment.

Some employers and workers feel the only evidence of career success is promotion. Fortunately, there are several other ways to provide workers more challenges. This can be done through transfers, job rotation, job enlargement and job enrichment.

2.2.13 Key Terms

a. Promotion is generally considered as a reward for excellent services rendered by the employees

b. A transfer is a change in Job assignment.

c. Merit refers to "worth" or "excellence"

Self Check Exercise

1. Differentiate:

    a.   Tranfer vs Promotion

    b.   Seniority vs Merits

2.2.13 EXERCISE QUESTIONS

Short Questions

1. Expllain the need for internal mobility?

2. What are alternatives to promotion?

Long Questions

1. Discuss the need for internal mobility for an employee in an organization.

2. Discuss the bases of promotion.

3. What is Transfer? Discuss the purpose of transfer.

4. Differentiate between transfer and promotion.

2.2.14 REFERENCES AND FURTHER READING

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LESSON NO. 2.3	Author : Dr. Dhiraj Sharma

SEPARATIONS

LEARNING OBJECTIVES:

The major objectives of this lesson are to discuss:

- The nature of employee separations

- the significance of dislocation and problem of dislocated employee

- identify various causes of job dislocation in an organization; and

- Appreciate the need to help the dislocated employee through the process of retraining and relocating.

STRUCTURE OF THE LESSON:

2.3.1 INTRODUCTION

2.3.2 SEPARATIONS

2.3.3 SUSPENSION OF AN EMPLOYEE

2.3.4 DISMISSAL OF AN EMPLOYEE

2.3.5 EXIT INTERVIEWS

2.3.6 WHEN DISLOCATION OCCURS

2.3.7 COPING WITH DISLOCATED EMPLOYEE

2.3.8 HELPING THE DISLOCATED EMPLOYEE

   Self Check Exercise

2.3.9 SUMMARY

2.3.10 KEY WORDS

2.3.11 EXERCISE QUESTIONS

2.3.12　REFERENCES AND FURTHER READING

2.3.1　INTRODUCTION

One of the most difficult problems facing the human resource manager is the dislocated employee. Any discussion on dislocation involves the definition of dislocated employee, how to cope with it and why it occurs. Broadly speaking, the dislocated employee is any employee whose job has outgrown him or who is incapable (for whatever reason) of satisfactorily performing the requirements of his job. Usually an employee gets dislocated when he is incapable of performing, or unwilling to perform, a significant portion of his work in a satisfactory manner. It is obvious that employees seldom become dislocated overnight because job requirements are rarely that flexible and employee skills are barely that stable.

2.3.2　SEPARATIONS

A separation is a decision that the individual and the organization should part (Davis). The separation could be at the instance of the employer or the employee. Separations take several forms, some of which are as follows.

Long leave of absence: Employees may apply for long leave from work on various grounds such as health, education, family, or work related matter.

Resignations: Employees may decide voluntarily to separate from the organization on grounds of health, marriage, better career prospects I other organizations, etc.

Retirement: Retirement is a termination of services, which is termed as compulsory retirement, and normally employees retire between 58 and 60. The voluntary retirement scheme (VRS) is another retirement scheme, which has been introduced in various public and private sectors with a view to offload surplus staff and cutting down labor costs. In such instances, the management is also organizing counseling sessions to reduce anxiety in the minds of the employees about premature retirement and also offers financial advice to allow them to invest in a sound manner.

Death: Separation in organization may also occur due to sudden death of an employee while in service. Some organizations offer employment to the spouse, child, or dependant of the deceased employee on compassionate grounds.

The above practices are commonly practiced in almost all organizations. These are initiated by the employee – except retirement, which is as per the company policy – and not by the company. Layoff and retrenchment are the moves initiated by the employer.

Downsizing, layoff, and retrenchment are important separation procedures initiated by the employer.

Indeed downsizing can have devastating effects upon individual employees; both those who have lost their jobs and those who have not, specifically employees losing their jobs face many emotional problems. Their initial response may be one of shock, anger, or relief. Eventually, they need to confront the task of being reemployed without succumbing to frustration and self-doubt. The organization can help them avoid such emotions by preparing them for transition to a new job, a new organization, or a new career.

Even those employees who do not lose their jobs as a result of downsizing may face serious psychological consequences. Indeed, an analysis of the feelings of those who survive downsizing shows that they also feel anger, anxiety, cynicism, resentment against the upper management, and resignation mixed with some hope. There are also tangible consequences in the workplace that survivors must deal with.

Also the energies and stress levels of survivors are stretched, given that the survivors are now expected to accomplish the additional work of those who have been released from the organization.

Downsizing is undertaken to reduce labor costs and streamline organizational operations. A layoff occurs due to breakdown of machinery, shortage of power, raw materials, etc. and business cycle effects. Retrenchment is permanently laying off surplus staff due to poor demand for products or economic slowdown.

2.3.3 SUSPENSION OF AN EMPLOYEE

Suspension means prohibiting an employee from attending work and performing normal duties assigned to him or her. It is a measure of punishment for an employee for a specific period. When an employee faces certain charge of misconduct or misdemeanor, an enquiry is made into it, and if the charges are serious, it might lead to suspension of the employee till he or she is either convicted or acquitted of the charges.

2.3.4 DISMISSAL OF AN EMPLOYEE

Dismissal of an employee results in termination of services and is a punitive measure for proven misconduct. The reasons for dismissal may be carelessness, insubordination, violation of rules, dishonesty, inefficiency, aggressive behavior, unauthorized absence for a long time, etc. It is a serious measure that impairs the earning potential and the public image of the employee. It is usually used as a last resort; until all the necessary evidence is gathered, this step is avoided. The employee also is given an opportunity to defend his or her innocence before dismissal.

2.3.5   EXIT INTERVIEWS

When employees leave, organizations often conduct exit interviews in order to assess the reasons for the employee's decision to part and to prevent it if necessary. Usually, the HR Manager conducts this face-to-face. Though employee's departure. The content and methodology of the exit interviews varies from company to company. The aspects that are usually discussed in an exit interview are: reasons for leaving, satisfaction with the job, perception of the management, opportunities for advancement, adequacy of pay, training and performance appraisal. In one sense, this information allows organizations to assess how well their retention strategies are working and update benefits and other programmes. The employees may also feel that their opinions are being valued by the organization. There are instances where the exit interview has been conducted by an external consulting firm. Assuring confidentiality by using such measures is likely to produce more candid responses. One study showed that employees are not truthful in exit interviews because of fear that they would be blamed and that their responses will not be held confidential. Some organizations do not conduct exit interviews. However, most organizations keep a record of the rate of turnover.

2.3.6 WHEN DISLOCATION OCCURS

The job dislocation occurs as a result of the erosion of one's skills and capabilities or the changing job requirements and technology. The most common excuse for an employee becoming dislocated in his job is inability to adjust to change. It is a fact that people do not resist change, rather they fail to change because of fear of the unknown.

There are fundamentally two reasons that men permit their jobs to outgrow them: attitudinal and physical. Attitudinal causes are far and away the most serious

because they not only are the most common cause of dislocation but they also are the least tangible to deal with. People are confronted with common fears and worries when they are faced with changing ways of doing things. These include the fear of losing one's job, the fear of losing status in the eyes of co-workers, the fear of losing privileges, and the fear of lesser chance for promotion.

The reasons for job dislocation are:

1. Physical deterioration of the individual

2. Aging and senility

3. Indifference to work

4. Group pressure

Let us look at each of these factors, and how they can cause job dislocation.

1. **Physical Deterioration:** Although it is uncommon, it is possible that an employee may become unfit for a particular job from a physical standpoint. Sometimes, of course, the job itself is the cause of the physical unfitness, as in the case of mine workers getting pneumoconiosis. In other cases, an accident or chronic illness can cause the person to become incapable of performing satisfactorily the whole job or a significant portion of it. Obviously, when an employee becomes physically unfit to do a job, he is dislocated and corrective action must be undertaken.

2. **Age and Senility:** A second factor which may cause chronic or hard-core job dislocation is aging and senility. While most people look at aging as a physical process, the HR manager in facing the problem of a dislocated employee, must recognise that aging is more of a mental problem than it is physical. Of course, there is no particular problem with the mental slowing down as long as one has a wealth of experience to rely and utilise in effectively performing at work.

3. **Indifference to Work:** The third chronic job dislocation is the attitudinal problem of indifference. They include withdrawal from participation, reluctance to compete for any kind of reward, animosity towards superiors and colleagues, and so on. Attitudes are extremely difficult to change without extensive psychological counseling.

4. **Group Pressure:** Another cause of extreme difficulty when an employee is jobdislocated is the group pressure. Group pressure is a significant factor in determining the behaviour of an individual. The organisation can convince the employee that the proposed change is to his benefit, but if the group (or union) is

opposed to the change, the situation becomes very difficult. When a group plants seeds of distrust and discontentment in the minds of any individual, it is almost impossible to get him think along constructive lines.

2.3.7   COPING WITH DISLOCATED EMPLOYEE

Some of the remedies to overcome dislocation are as follows:

- Tell the employee why new method or technique of learning is necessary.

- Permit the employee to participate in implementation of the change.

- Provide a standard of performance which has realistic and achievable goals.

- Recognise that the employees will have difficulty in carrying out the new job

- and that they are not expected to be perfect to begin with.

- Recognise the efforts of the employee in achieving the target.

- Explain all instructions to the employee as and when necessary.

- Allow time for the employee to familiarise with the new way of doing things.

Many employees become displaced in their jobs not as a result of their own failings, but as a result of technological advancement, changes in production processes, and changing economic circumstances. Moreover, individual attitudes also contribute to a great extent to the problem of job dislocation.

Coping with the dislocated or replaced employee can be effectively accomplished by two ways, namely, through the process of retraining or the process of relocating the employee. In some cases, retraining is the solution, and in other cases relocating the employee.

Basically, the union's concern with job dislocation revolves around giving advance notice of dislocation to the employee and compensating the employee who is dislocated. It need not be emphasised that union co-operation is very essential in solving the problem of job dislocation. Normally unions do not like job dislocation and may jeopardise any attempt made in this direction.

The obvious solution in dealing with dislocation is to retrain the employee. Training or retraining needs are to be determined on the basis of projected new skills and capabilities required on the part of any dislocated employee to perform

his task. For this, future training needs are to be assessed through formal and informal consultations and discussions. A thorough job analysis has to be carried out in advance to facilitate retraining.

If the employee cannot be retrained the only other solution is to relocate him. Relocation means that the employee is likely to be transferred, demoted, possibly promoted, or removed from the organisation (by taking recourse to law, if necessary). Hence, relocating an employee means to move him to a different job in the organisation or to sever his relationship with the company. In case of chronically dislocated employee the main problem the manager of human resource will face is how to relocate him somewhere else within the organisation. The unavoidable technique of relocation is, of course, the severance of the individual from the organisation.

2.3.8 HELPING THE DISLOCATED EMPLOYEE

Due to various reasons relocation is not a successful intervention. Any dislocated employee who is relocated elsewhere in the organisation probably will not be pleased with his circumstance. In fact, he may be outwardly hostile toward the organisation and resentful of the change. The HR manager should not take it for granted that a job relocation is necessarily successful just because a man accepts such an offer. The outward acceptance by the man may be due to various pressures generated by the job or the family or by the community. Before transferring an employee, the HR manager must be carefully attuned to such mundane matters as school, vacation, holidays, weather and various other factors which normally affect the work life of the employee. The policy decision of relocation should take place at the convenience of the company and must commensurate with the employee's convenience and needs.

The company should make its efforts to ameliorate or minimise the problems which the employee and his family are likely to face as a result of dislocation, both financially and emotionally. When it comes to the question of emotional problems of relocation by the employee and the family, the obligation of the organisation is to attempt to familiarise both with the new situation. Attempting to physically relocate an employee at a new site is expensive. Therefore, the organisation should make all necessary efforts to cope with the financial problems arising out of dislocation of an employee.

Employers wish to retain the flexibility of moving key employees to new job assignments to enhance the effectiveness of both the individual and the

organisation. The provision of various relocation services will fulfill both the objectives.

Among the various services that may be provided are:

1.   Helping in the sale of home, if any, of the relocated employee.

2.   Transporting household goods, and disbursing employee travelling expenses.

3.   Employment assistance for the employee's spouse, if required.

4.   Information and advice concerning the new area, such as schools, medical

         facilities, conveyance facilities, and so on.

5.   Helping in finding and purchasing a new home, if the employee so desires.

6.   Providing relocation counseling service to the employee and his family.

Policies of companies who relocate employees vary tremendously and depend upon many factors like the practice of the industry, the geographical location of the company, and the level of the relocated employee in the organisation. Normally most organisations lay down a policy for various levels of employees, e.g., top level executives, middle management and supervisory personnel, and rank and file employees.

<div align="center">Self Check exercise</div>

   1.   What could be the reasons for Job dislocation?

   2.   What do you mean by suspension of an employee?

2.3.9 SUMMARY

Job dislocation which is a slow erosion process causes immense hardship to both the HR manager and the employee(s) affected. The problem of the dislocated employee is serious and can become acute under certain circumstances. The home life of the employee has a considerable impact on performance at work. Financial and other forms of relocation assistance appear to have been generally successful in overcoming employee reluctance to move. Any policy designed to cope with this problem must call for positive outlook and immediate, corrective and humanitarian action. The HR manager must ensure that necessary preventive action and purposeful implementation of job dislocation and relocation of employees is carried out with all efforts that it deserves.

2.3.10 KEY WORDS

   1.   A separation is a decision that the individual and the organization should part(Davis)

   2.   Resignation is the voluntary sepration of employees from the organization

   3.   Suspension means prohibiting an employee from attending work and normal duties assigned to them.

2.3.11 EXERCISE QUESTIONS

SHORT QUESTIONS

1. Define Separation

2. What is Retirement

LONG QUESTUONS

1. What are the main causes of job dislocation?

2. What are the solutions to deal with dislocated employees? Discuss.

3. Discuss the major reasons of separations of employees.

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BBA PART- II   PAPER : BBA-301

SEMESTER-III   PRINCIPLES OF HUMAN
                                                RESOURCE MANAGEMENT

LESSON NO. 2.4   Author : Dr. Dhiraj Sharma

INDUSTRIAL RELATIONS

STRUCTURE OF THE LESSON
2.4.0 Objectives

2.4.11   REFERENCES AND FURTHER READING

2.4.0 LEARNING OBJECTIVES:

After reading thus Unit, you should be able to;

1.   Explain Industrial Relations;

2.   Know labour legislations;

3.   Understand Causes of industrial unrest; and

4.   Discuss measures for a lasting solution to the problem of Industrial Unrest.

2.4.1 INTRODUCTION

Industrial Relations are an integral aspect of social relations and cover the entire gamut of work relations of an institution, internal and external. Human relations form the core function of industrial relations since it is the responsibility of the employer to establish healthy organisational climate for consistently good performance. The beginning of personnel work is traced to 1881 when Frederick W Taylor developed a functional organisation at the plant of the Mid Vale Steel Company and one of the foremen was called, shop disciplinarian.'

Industrial Relations entails study of human behaviour at the work place focusing on the influence such relations have on an organisation's productivity. IR describes various programmes for dealing with employees including personnel relations or activities for establishing or maintaining an efficient loyal work force. Labour relations pertains to union management relations such as the negotiating the union's contract and the carrying out of its provisions." (Owen, 1987)

The field of Industrial relations (IR) concerns the formal relations between employers and their employees and generally encompasses the work of personnel specialists, industrial engineers, psychologists and labour relations experts (Robinson, 1983). Classical economics viewed workers as instruments of production subject to the laws of supply and demand. IR became a subject of scholarly attention in the 1920s with Mayo's Hawthorne experiments. The theory and practice of Industrial Relations is an amalgam of various disciplines in social sciences and humanities.

The subject is also referred to as 'industrial and organisational relations' or 'organisational relations suggesting the wide arena of the subject matter. In a large company, following activities may be considered industrial relations functions: "Recruiting and selecting new employees and developing the terms and conditions of employment; classifying jobs and occupations; negotiating with unions; implementing government regulations that affect the work force; and instituting training programs; selecting and evaluating workers: personnel processes described above constitute what is normally called personnel administration or personnel

management. Much of this work requires knowledge of industrial psychology, psychological measurement and statistics, psychological aspects of work motivation productivity etc." (Robinson, 1983).

Industrial organisational psychology involves application of concepts and methods of experimental, clinical and social psychology to the workplace. Industrial organisational psychologists are concerned with such matters as personnel evaluation and placement, job analysis, worker management relations(including morale and job satisfaction), workforce training, and development (including leadership training) and productivity improvement. This may involve working closely with business managers, industrial engineers and human resources professionals (Encyclopaedia Britannica Inc., 2002).

2.4.2 DEFINING INDUSTRIAL RELATIONS

Industrial relations, though a recognisable and legitimate objective, is difficult to define since a good system of industrial relations involves complex relationships between:

(a)   Workers (and their informal and formal groups, that is, trade union organisations and their representatives);

(b)   Employers (and their managers and formal organisations like trade and professional associations);

(c)   The Government and other agencies involved.

Broadly, in western style economies, the parties (workers and employers) are free to make their own agreements and rules. This is called 'voluntarism'. But it does not mean there is total noninterference by the government. Government regulation is necessary to:

•   Protect the weak (hence minimum wage);

•   Outlaw discrimination (race or sex);

•   Determine minimum standards of safety, health, hygiene, conditions of service; and

•   Prevent abuse of power by management or workers.

The personnel manager's involvement in the system of industrial relations varies from organisation to organisation, but normally he or she is required to provide seven identifiable functions, such as:

1.   To keep abreast of industrial law (legislation and precedents) and to advise managers regarding responsibilities entailing, discipline, welfare measures, managing diversity etc.

2. To conduct (or assist in the conduct) of local negotiations (within the plant) or act as the employer's representative in negotiations as a critic and advisor in respect of trade, association policies or as a member of the trade association negotiating team.

3. Interpretation of agreements and explanation of the same to line managers;

4. To monitor the observance of agreement and help produce policies that ensure agreements are followed within the organisation.

5. Managing crisis in change situations, correcting warning of mistakes on the part of line managers.

5. Managing crisis in change situations, correcting, cautioning line managers about mistakes

6. To provide the impetus and advice regarding modalities (devise the machinery) for the introduction of joint consultation and worker's participation in decision-making in the organisation. Rules for flextime correction of absenteeism and work related issues (boundary disputes) are the three examples of the matters that may be settled by joint consultation in with a more twenty-first-century outlook and philosophy. Human resource management is very involved in promoting and originating ideas in this field; and

7. To provide statistics and information regarding workforce numbers, costs, skills etc. relevant to negotiations that is, the cost of pay rises, effect on pay differentials, impact on recruitment, maintenance of personnel records of training, experience, achievements, qualifications, awards, pension and other records; to produce data in respect of personnel matters like absentee figures and costs, statistics of sickness absence, costs of welfare and other employee services, statements about development in policies by other organisations, ideas for innovations; to advise upon or operate directly, grievance, redundancy, disciplinary and other procedures (Accel team, 2005).

In the above context, Dunlop(1958) defined industrial relations as an area "which denotes the union management relations operating within the spectrum of industrial relations system, which defines the role, status and the conduct of different groups of people who work together for productive purposes in an economy characterised by its peculiar social and economic conditions prevailing

under given technological market and power context giving rise to the creation of a body of rules to govern the interactions of the different groups of people involved therein".

Industrial relations are a set of interdependent functions involving historical, economic, social, psychological demographic, technological, occupational, political, legal and other variables. Practically, it is difficult to study the impact of all factors on industrial relations. It is easy to consider industrial relations only in respect of trade unions and labour legislations. In a narrow legalistic sense therefore, industrial relations is a subject of study and aspect of management which includes the relationship between:

(a)   Employers and employees

(b)   Employers and trade unions

(c)   Occupational organisations

(d)   Trade Unions

(e)   Trade unions and employer associations

Objectives of industrial relations could thus be specifically stated as:

1. Industrial peace and harmonious relations between employers and employees;

2. Develop and progress of industry in a democratic fashion;

3. Safeguarding interests of both workers and management;

4. Establish and maintain industrial democracy;

5. Create environment of cooperation and harmonious work relations;

6. Eliminate unfair labour practices; and

7. Control discipline and motivate employees.

2.4.3 TECHNOLOGY AND INDUSTRIAL RELATIONS

Technology has significant implications for industrial relations especially with regard to work process improvement and quality of work life in organisations. Notably, organisation is also understood as a socio-technical system bringing out the relationship between human resource and technology. Technology is one of the major constituents of organisational work. It also has implications for recruitment and training, since use of technology means more induction of professionals and better training of existing personnel in handling advanced

technology. As technology grows, specialisation increases, work gets minute and more sophisticated; corresponding requirements of education on the part of workers increases training costs.

Technological change also affects the work environment and human relations at the work place. This requires changes and adjustments. The impact of technological change depends on three factors, namely:

(i)   The nature of change;

(ii)   The speed at which the innovations are introduced; and

(iii)   The method of the change

Certain benefits of technology may be noted thus;

1.   It allows employees to perform better; manage more quantity and produce better quality;

2.   It improves the quality of life (QWL) of employees;

3.   It produces better working conditions;

4.   It brings attitudinal change in employees; and

5.   It increases the profitability of the organisation

2.4.4 ERGONOMICS AND INDUSTRIAL RELATIONS

Ergonomics is the application of scientific knowledge to discovering how best to fit a worker to his physical and social work conditions to provide for maximum comfort and facility. Ergonomics maximises quality and individual efficiency of the worker at a job. Ergonomic specialists collect and analyse statistical data with regard to applied, occupational psychology and physical anatomical aspects of work with a view to achieving 'perfect fit' between technology and the individual. Ergonomics is based on the belief that a comfortably placed worker will be the best producing worker. Hence design of his seat, scientific movements, position in the organisation with respect to speciality, formal and informal work relations, motivation and morale; all collectively determine work efficiency.

Organisations are increasingly engaging the services of ergonomic specialists to study organisation design, equipment use, method study to maximise efficiency and cut costs. Application of scientific understanding of anatomy, physiology and psychology results in improved productivity. Thus, ergonomic specialists are those with formal education at degree level in these subjects (Accel team 2005). Though ergonomics can be applied in a generalist way by people belonging to

other specialities like industrial engineers and psychologists, an ergonomic specialist applies scientific study to apply ergonomics in its true sense.

Fitting the task to the person is understood as ergonomics. Good ergonomics;

- shortens learning times;

- makes the job quicker with less fatigue;

- improves care of machines;

- reduces absenteeism and material waste;

- Reduces labour turnover and tackles other signs of worker malcontent, physical and mental fatigue; and;

- Meets the requirements of health and safety legislation.

Specific aspects in ergonomics could be listed as:

- Work-place design;

- Motion economy, facility of movement through scientific analysis(muscular load, accuracy of movement) involving motion study;

- Rest allowances;

- Job satisfaction; and

- Environmental control;

- Legal stress;

- Physical climate; physical temperature, humidity, etc.;

- Environmental and physical hazards, etc.; and

- Mental demands; data processing, communication (Accel team, 2005)

2.4.5 INDUSTRIAL PEACE

Mere absence of 'industrial unrest' does not mean good industrial relations. Industrial peace is the fruit of improved industrial relations and better management of human resources over time. Inter-union rivalry has deplorable consequences both for the organisation and the workers.

Certain imminent requirements of industrial peace are stated as follows:

1. Conducive working environment regarding social relations, emphasis on procedural justice and physical conditions of work.

2. Attentive and responsible attitude towards the organisation and work on the part of all concerned parties.

3. Active measures to ameliorate dissatisfaction among workers.

4. Mutual respecting and amicable settlement of differences in the best interest of the organisation.

5. Speedy communication of decisions, especially those affecting workers' rights; workers' involvement in such and other decisions

6. Integration of employees in the organisation

7. Proper management of employees pay and benefit schemes to prevent misgivings. Seventy to eighty percent of conflicts have been known to occur because of delays in this respect.

8. The management should also look after the social and other economic needs of the employees.

9. Transparency of industrial policies would be conducive to democratic functioning.

10. Management and employees should have mutual confidence and cooperating attitude, which leads to new policy directions through free and open-minded discussions on matters of industrial progress.

11. Arrangement for need based training for workers.

12. System of group bargaining to manage conflicts better.

13. Most importantly, economic growth, which distributes rewards equitably, creates employment opportunities and alleviates poverty, is the only lasting solution of the problem of industrial unrest.

2.4.6 LABOUR POLICY

Articulation of labour policy and the ideology pursuant to it is a significant determinant of organisational working. The objective of labour policy is to ensure an environment conducive for labour management cooperation. Principles pursued in pursuance of avowed objectives constitute labour policy.

In today's environment of globalisation, the abundant availability of trained manpower in scientific, technical and managerial fields is one of the main attractions to foreign investors in India. India's competitive advantage lies in furthering this human capital development. To this end, labour laws revision is being suggested. Labour legislation makes provision to safeguard workers' rights as well as protect the interests of employers and promote healthy industrial relations. Laws have been enumerated from the constitution of India where labour is a concurrent subject.

There can be many perspectives to goals and objectives of labour policy, for example capitalistic and socialistic in a mixed economy. Similarly, implementation could be viewed from many different perspectives. Industrial Relations are currently gripped in the ideological conflict between leftists and right wing nationalists. While the former advocate socialist policies, the latter perceive efficiency in the free market.

It is not hard to understand why industrial relations suffer from ideological and practical ambiguity, especially in developing countries like India, where immense socio political diversity prevails. It may not be advisable for instance, to make agreeable policy with an exclusively urban or western perspective with regard to labour that has a predominant rural agricultural background (Dwivedi, 1990). Industrial relations in India should take into account such other unique ecological factors and specific considerations; for instance, many workers' problems are due to cultural incongruence between rural and urban life. Organisational culture assumes added significance here. Training as well as orientation schedules for new entrants to organisational life, for instance, must take cognisance of this real problem and come up with practicable solutions. There is pay disparity between organised and unorganised sectors and also within the organised sector for example, in the banking and manufacturing sectors. There is reported imbalance between inducements and contributions and the HR function shows a negative orientation in that the emphasis is on tackling problems piecemeal instead of a comprehensive attempt at their prevention and pre-emption. There is stress on imparting responsibility rather than engineering a climate of responsibility itself. Besides there are eternal factors viz. inflation, disparity in pay in public and private sectors, more indirect taxes than direct, retrenchment etc. which create dissatisfaction, apathy and decline in work ethic.(Dwivedi, 1990)

The government has a vital role to play in structuring industrial relations. The government seeks to maintain balance by establishing legal, social and economic

norms of work life. The government also endeavours to adapt the legislative and administrative organs to changes in social ideals and norms. Environmental and organisational constraints on rationality of decision making processes have to be considered. Problem of irreconcilability between long and short term goals due to implementation roadblocks is also an issue (Dwivedi, 1990). To clarify further, it is not possible to limit consideration to the economic dimension when social and political are equally important. These metamorphose into larger sociological perspectives concerning relation between man and society; man's existence in a group or a collective undertaking (gestalt psychology), contributing to and being affected in turn by sociological processes inhering in groups. Goal setting for labour policy is rather difficult as precision may be lost in the myriad concerns to be answered.

In India, the formulation of labour policy has been mainly based on the deliberations and recommendations of the Indian Labour Conference and the Standing Labour Committee. In addition to the above tripartite consultative organisations, the government of India appoints consultative tripartite committees for individual industries. There are also tripartite wage boards for evolving wage structures in selected industries. Labour legislation is hard to implement.

The Indian government has used a mix of approaches, such as legislation, administrative action, tripartite consultation, persuasion and education to achieve its objective of harmony and industrial peace.

There is alleged lack of uniformity and repetitiveness in Indian labour legislation. The study group appointed by the National Commission on Labour in 1967 was in favour of introducing a simplified standardised labour code on an all India basis:

- To ensure a machinery for progressive enhancement of real wages for workmen in the foreseeable future;

- To ensure increase in production of material goods so that the price line can be maintained and the standard of living increased.;

- To reduce work stoppages to the minimum by providing effective machinery for settlement of disputes either through collective bargaining or if necessary through a speedy process of industrial adjudication; and

  • To provide the trade unions their rightful place in the democratic set up.

A code of discipline in industry in India, which applies both to the public and to the private sector, has been accepted voluntarily by all the central organisations of employers and workers and has been in operation since the middle of 1958. The code provides that:

• A regular grievance procedure be laid down in all undertakings and complaints should receive prompt attention. The legal means of redress should be followed through the normal channels and there should be no direct, arbitrary or unilateral action on either side.

• Management and workers agree to avoid litigation, lock-outs, sit-down and stay-in strikes. There should be no recourse to intimidation, victimisation or 'go-slow' tactics. The unions should not engage in any form of physical duress and should discourage unfair practices such as negligence of duty, careless operation, damage to property, interference with or disturbance to normal work and insubordination.

• The employers should allow full freedom to workers in the formation of trade unions. A union guilty of a breach of the code of discipline loses its right to such recognition.

• Both sides are pledged to the scrupulous and prompt implementation of awards, agreements settlements and decisions.

• Every employee should have the freedom and right to join a union of his choice. Ignorance and backwardness of workers should not be exploited by any organisation.

• Casteism, communalism and provincialism should be eschewed by all unions and there should be no violence, coercion, intimidation or personal vilification in inter-union dealings.

• It is enjoined that there should be unreserved acceptance of and respect for democratic functioning of trade unions and all central organisations should combat the formation and continuance of company unions.

• The failure to implement awards and agreements has been a complaint on,' both sides and if this were to continue, the codes would be bereft of all meaning and purpose. A machinery for implementation and evaluation has, therefore, been set up at the center and in the states to ensure observance by the parties of the obligations arising from the codes and from laws and agreements.

2.4.7 ADMINISTRATIVE ARRANGEMENT

The Organisation of the Chief Labour Commissioner (C) known as Central Industrial Relations Machinery was set up in April 1945, charged mainly with duties of prevention and settlement of industrial disputes, enforcement of labour laws and promotion of welfare of workers in the undertakings falling within the sphere of the Central Government.

Presently, there are 18 regions each headed by a Regional Labour Commissioner .The Industrial Relations Division (Policy Legal) within the Ministry of Labour deals with labour legislation and schemes applicable to all organisations in India.

The Ministry of Labour has the responsibility to protect and safeguard the interests of workers in general and those constituting the deprived and the marginal classes of society in particular. The Ministry seeks to achieve this objective through enacting and implementing labour laws regulating the terms and conditions of service and employment of workers. All labour laws provide for an inspectorate to supervise implementation and also have penalties ranging from imprisonment to fines. Cases of non-implementation need to be specifically identified and complaints filed before magistrates after obtaining permission to file the complaint from one authority or the other.

2.4.8 SUMMARY

Industrial Relations involve human problems which require human solutions. Legislation may assist pre-empt and tackle problems, but lasting solution lies in addressing the key concerns of poverty and unemployment among the masses. Industrial Relations are currently going through a phase of transition in India. Socialist rhetoric is slowly giving way to a capitalist orientation. If labour reforms are carried out, which seems likely, industrial climate will undergo a drastic change. The feasibility of proposed changes would have to be discussed thoroughly before the imperatives of globalisation are accepted. Free entry and exit of firms and unimpeded hire and fire of labour could be inimical to labour security. Concerns of labour welfare have to be reconciled with competitiveness of businesses which presently feel thwarted due to 'rigid' labour laws.

SELF CHECK EXERCISE

1.   Define Ergonomics

2.   What do you think about Technology and Industrial Relations?

2.4.9 KEY WORDS

3.   IR: Industrial Relations

4.   Industrial relations are integral aspect of social relation and cover the entire work relation of an institute

5.   Ergonomics maximises quality and the individual efficiency of the worker at job.

2.4.10   EXERCISE QUESTIONS

SHORT QUESTIONS

1. Define Industrial Relations

2. What is Labour Policy?

LONG QUESTIONS

1. Address the semantic confusion between Personnel Management, Human Resource Management and Industrial Relations.

2. Discuss the scope of Industrial Relations in the context of democracy and social change.

3. Discuss different dispute resolving mechanisms by quoting relevant examples.

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BBA PART- II   PAPER : BBA-301

SEMESTER-III   PRINCIPLES OF HUMAN
                                            RESOURCE MANAGEMENT

LESSON NO. 2.5	Author : Dr. Dhiraj Sharma

ORGANIZATIONAL GRIEVANCE

Structure of the Lesson:
2.5.0 Objectives

2.5.11 SUMMARY

   SELF CHECK EXERCISE

2.5.12 KEY WORDS

2.5.13 EXERCISE QUESTIONS

2.5.14 REFERENCES AND FURTHER READING

2.5.0 Learning Objectives:

The major objectives of this lesson are to discuss:

•   The nature of organizational grievance

•   Classification of Grievances

•   Effective Grievance Process

•   Arbitration

2.5.1 INTRODUCTION

A grievance is a complaint or dissatisfaction arising from the interpretation or application of the contract. It is not necessarily any problem, gripe, complaint or personal difference that a worker may have.

•   Has the contract or past practice been violated?

•   Has the company acted unfairly?

•   What settlement does the member want?

Attempts should be made to resolve workplace grievances at the store/plant level. If a problem cannot be resolved at the store/plant level, make sure to contact Union Representative for further processing. If an employee have been suspended or terminated contact Union Representative, or the Representative on duty, as soon as possible. If you have a grievance or problem, make notes on what has happened. The important factors to have for complaints and grievances are who, what, where, when, and why.

The grievance procedure is set up so that:

•   The worker can seek redress through organized channels;

•   Grievances can be handled through an orderly process;

•   The worker can appeal against decisions; and,

•   The worker has the collective support of the Union when seeking justice;

The grievance procedure in the collective bargaining contract is the vehicle through which the leadership and its members may protect the contract - to ensure that the agreement and the stipulations set are enforced and adhered to. A contract that is not enforced is not worth the paper it is written on. Enforcing

the contract is everybody's responsibility - members, Stewards, as well as Union representatives and officers. The Union member who does not report an injustice or violation of the contract not only hurts themself, but every member of the Union. The purpose is to bring dignity to workers through their Union. In the end, that is what much of grievance handling is all about.

It is also very important to understand that grievance handling is actually a vital part of the collective bargaining process. Many grievances involve only one worker and the denial of a contract protection to him/her, for example: a failure to pay overtime or a denial of sick leave. Thus, the handling of this kind of grievance is primarily concerned with getting all the facts in order to enforce a contract provision that is easily interpreted. Failure to vigorously pursue individual grievances because the gathering of facts may be difficult can have the same effect over a period of time as removing hard-won protections from the contract. A contract protection that is not enforced, is no better than one that does not exist.

Many contract provisions, however, are not too clear. They may reflect a general understanding or agreement between the company and the Union, but they must be interpreted and clarified when they are applied on the job. Here, the Union's understanding of what was negotiated and its enforcement policies are crucial.

Grievance handling that involves primarily the interpretation of provisions of the contract, even when the facts are clear, is a form of collective bargaining. This is another reason why grievance handling is so important. It is a continuation of the collective bargaining process during the life of the agreement. A grievance on the interpretation of the contract that is won by the Union has the effect (as a precedent) of extending the meaning of the contract in accordance with the Union's understanding of the contract and its contract enforcement policies. When the Union loses this kind of grievance, it might want to change the language of the contract when it is renegotiated. Thus, grievance handling is not only an important part of negotiations, records of the disposition of grievances are vital to the negotiation process.

When a worker's grievance is taken up by the Union, it becomes a Union grievance as well as an individual grievance. In this sense, the Union becomes the buffer between the aggrieved worker and the company so that the worker is protected from management retribution. It is because the Union assumes some responsibility for screening member's grievances and for comprising the sometimes conflicting interests of Union members, that management finds it easier to live with a negotiated grievance procedure. Uniform, as well as aggressive application of Union policy in handling grievances, therefore, is an important factor in maintaining unity and solidarity within the Union.

Employees who feel they have been mistreated way threaten or even pursue legal action against a business firm. Litigation can quickly turn former colleagues into

adversaries and co-workers into enemies. It wastes time and resources that could otherwise be devoted to your mission.

Effective grievance procedures act as a safety valve. By handling complaints in a carefully fully planned manner, one can prevent unnecessary injury while preserving resources for their intended use. Grievance procedures provide a structure for the resolution of complaints and may reduce the likelihood of litigation by providing Members with an alternative forum in which to air, and resolve, disputes. An effective procedure also operates as an early warning system and alerts management to potential problems before they escalate. From a Member's perspective, such procedures may lessen fear of arbitrary treatment.

A grievance procedure should be part of a larger effort to enhance communication. Make clear and timely communication a priority. Begin with your agency's expectations of its staff. Clearly state organizational rules and procedures so Members and staff can conduct themselves within the boundaries of acceptable conduct. Specify appropriate discipline for various offenses to facilitate consistency and fairness. Support verbal instruction with written materials and posted reminders. Explain the reasons behind an order or action.

Offer ongoing positive feedback and constructive criticism. Avoid subjective terms and phrases (such as "attitude problem" or "lazy") that will needlessly emotionalize the situation. Require a verbal warning or second approval before formal disciplinary action is taken. When giving feedback, focus on skill development and improvement rather than the mistake or perceived deficiency. Adopt an "open door" policy and encourage feedback on organizational policy.

Even with good communication, disputes may still occur. Members and staff should understand that having a grievance procedure provides a process for resolving conflicts and can help facilitate the effective use of resources, maintain good working relationships, and support a positive overall experience. Instead of minimizing the likelihood of litigation, a grievance procedure that is poorly designed can trigger it. In some cases, an inadequately considered procedure may violate the law. At a minimum, an ineffective procedure squanders human and financial resources and undermines the positive reasons one exists in the first place.

2.5.2 CLASSIFICATION OF GRIEVANCES

Grievances may fall into certain broad categories such as:

a)   Wages, incentives, work assignments, complaints about job specifications;

b)   Interpretation of rules, transfer, seniority, promotion;

c)   Working conditions, safety, health and welfare amenities;

d)   Supervision, discipline, favoritism, victimization, interpersonal relations; and

e)   Violation of the terms of collective agreements, unfair labour practices and wrongfull extraction of work.

2.5.3 DISSATISFACTION - COMPLAINT – GRIEVANCE

According to Pigors and Myers, the three terms 'dissatisfaction', 'complaint', and 'grievance' indicate the various forms and stages of employee dissatisfaction. Dissatisfaction is ''anything that disturbs an employee whether or not he expresses his unrest in words." A complaint is a "spoken or written dissatisfaction, brought to the attention of the supervisor and the shop steward". A grievance is simply a "complaint that has been ignored, overridden, or dismissed without due consideration." A grievance in the context of a business organization is always expressed either verbally or in writing. If the discontent remains unexpressed, it does not constitute grievance for the reason that the management cannot take note of such subliminal processes, which are not ventilated. This does not mean that the management should not be concerned at all with the unexpressed discontent. Nevertheless, the fact remains that in an organizational setting, such unexpressed grievances are not capable of being handled through the grievance procedure. Thus, the grievance is more formal in character than a complaint. While a complaint can be either oral or written, a grievance is always in writing. Un-redressed, piled-up individual grievances may often assume the form of industrial disputes, thereby attracting the provisions of the Industrial Disputes Act, 1947 or leading to a snap industrial action such as work stoppages, violence or disorderly behaviour.

2.5.4 EFFECTIVE GRIEVANCE PROCESS

A grievance is a complaint regarding an order or action that is perceived to be unjust, discriminatory, or oppressive. A grievance procedure scrutinizes whether the challenged order or action was unfair, based upon a misinterpreted organizational policy, or contrary to the law. Many organizations use grievance procedures to address complaints concerning working conditions or program activities.

An effective grievance process includes several components: a clear understanding by affected parties of the process rules, the use of written grievance and consent forms, an adequate investigation of all complaints, a full and fair hearing, and binding arbitration.

2.5.5 NOTIFY INTERESTED PERSONS

The grievance procedure is a "contract" between the Grantee and the parties, and your program must describe them in terms of the agreement in its procedure. The grievance procedure may impose penalties for inappropriate forms of protest (e.g., picketing or work stoppages) or offer incentives to encourage use of the system. Given the stigma involved, an increased level of proof may be advisable for disciplinary action taken in response to drug abuse allegations. Additional safeguards, as noted throughout this booklet, can be used to protect against privacy or defamation claims. To avoid reference to an incident by a person's name, the program may want to devise a numbering or coding system to identify a particular grievance.

Describe the procedure in the Member contract or personnel manual (or incorporate such a description by reference). Ask each person to sign a form documenting that he or she has read the grievance policy and understands its terms. Review the procedure at your orientation for new and returning members. Model or review your grievance procedure in conflict resolution training.

2.5.6 OPTIONAL MEDIATION

In the event that informal efforts to resolve disputes are unsuccessful, the aggrieved party may choose to resolve the matter through mediation (also known as "conciliation"). Mediation is a candid, confidential, non-binding process. It can be especially effective where the parties are locked into inflexible positions. Mediation can be attempted either before or after a written grievance is filed.

At the initial session, the mediator must give the complainant written notice of the right to proceed with the grievance procedure at any time during mediation. When mediation is chosen, the legal hearing and decision deadlines set by the grievance procedure are suspended.

The parties to the grievance must agree, and sign a document evidencing such agreement, to respect the privacy of all conversations and refrain from referring to the mediation in later stages of the grievance process. Then, in a cooperative setting, the mediator encourages each party to reach beyond the emotions of the actual dispute, focus on his or her real interest, and communicate. In doing so,

the environment is important. The selected room should have minimal distractions and interruptions, and one that will be conducive to confidential discussion. Many times, medication is more successful when the parties are asked to face each other.

Once the lines of communication are open, the mediator helps the parties evaluate their respective positions, find zones of agreement, and mutually agree on a workable resolution that will preserve the relationship.

The mediator's role is to facilitate conflict resolution and decision-making by the parties rather than impose conditions or judge the legitimacy of any one position. If the mediator offers a solution to resolve the conflict or an opinion, it is not binding on the parties and should not be committed to writing. Afterwards, the parties can discuss the agreed upon communication of the outcome(s) to outside persons, if any. This can be followed by a brief dialogue on preventing future problems and/or ways to handle any resulting disagreements before seeking further action.

If mediation fails to result in a satisfactory resolution of the dispute, the mediator must again notify the aggrieved party of his or her right to file a formal grievance. The mediator must also remind the parties that mediation communications and proceedings may not be referred to at the subsequent hearing or arbitration stages and that he or she cannot be identified as a witness.

2.5.7 WRITTEN GRIEVANCE

The aggrieved party can file a written grievance at any time-either before or after attempting mediation. The written complaint contains a summary of the event and the complainant's position. It also generally provides the information needed to appoint an appropriate person to investigate the claim and resolve the matter.

Designate someone who is independent of daily program operations to keep the grievance forms and coordinate the process (i.e., the program director's supervisor or human resources director). For very small agencies, it may be necessary and appropriate to use a volunteer board member. This person should be familiar with the entire grievance procedure, trustworthy with sensitive information, and able to keep the grievance process on schedule. However, this person should not offer specific advice to a party to the process or a witness. He or she should refer persons with substantive questions to the written grievance procedure itself.

If a particular person, rather than or in addition to the program, is named in the grievance, the designated person should, as outlined in your grievance procedure, notify the accused of the investigation and his or her rights under the policy. He or she must be given an opportunity to gather and present evidence and prepare a response to the charges. If someone is accused of serious wrongdoing, ask him or her to acknowledge, preferably in writing, that he or she has been informed of the allegations and understands the process.

2.5.8 THE GRIEVANCE HEARING

The hearing officer must first determine the appropriate level of investigation into the complaint. For instance, someone alleges that he or she has been disciplined without a required verbal warning. The hearing officer can meet with both parties, verify the sequence of events, and consider whether the disciplinary action should be rescinded. A more formal investigation would not be necessary.

More complex disputes may require an investigation either to demonstrate compliance with the law or organizational policy so an explanation can be given to the aggrieved party or to bring the program into compliance. If a thorough investigation is required, assign an investigator to each grievance. The investigator should either be senior to the parties or hold a lateral position that is not subject to the parties' authority. If the grievance alleges a violation of law, it may be appropriate to ask a lawyer to investigate the matter. Not only is a lawyer more likely to be aware of legal requirements and investigatory limitations, he or she may be able to protect material from public disclosure by invoking the attorney /client privilege.

The investigator must be someone who was not involved in the incident. He or she must be able to ensure an objective, fair and neutral process. He or she should be non-confrontational, nonjudgmental, and willing to honor the privacy and confidentiality limitations set out in the grievance procedure. He or she should be an experienced interviewer--able to ask questions, listen attentively, direct and focus a witness's attention if necessary, analyze each answer, and ask pertinent follow-up questions. He or she must take adequate time to plan and conduct the investigation.

Although a written opinion is not required as a matter of law, it may be advisable to prepare one. This increases the likelihood that all issues and mitigating circumstances will be fully considered and that there will be a rational basis for key conclusions. A written opinion serves as appropriate documentation for personnel records and offers contemporaneous evidence of the proceeding.

If the aggrieved party is not present when the decision is made, he or she should be notified of the decision and of any right to appeal the decision as provided by the procedure. The hearing officer must then collect all documentation (i.e., investigation file, hearing notes, and copies of internal policies and consent forms) and protect confidentiality by storing the material in a secure file with limited access. Depending upon the nature of the allegation, the terms of your grievance policy and the likelihood of appeal to an arbitrator, you may want to retain these records separately from other files (i.e., personnel, workers' compensation).

2.5.9 ARBITRATION

Arbitrators are not bound to make decisions on legal technicalities. Instead, they may decide a case on principles of fairness and good conscience. The arbitrator is not bound by the remedies requested, or even contemplated by the parties. However, his or her decision must be a reasonable resolution of the dispute.

Regardless of the format, the arbitrator must be:

- free from conflict of interest and bias, which can be determined from disclosure of employment histories and other interests;

- unconnected to the parties involved in the dispute or incident itself;

- experienced and competent concerning the matter in dispute; and

- able to weigh a variety of considerations and resolve the dispute.

At the proceeding, each side typically makes an opening statement to provide context and background to the dispute. Then the arbitrator listens to the complainant, all program representatives, the investigator, and any other witnesses. Documents, such as exhibits, police reports, site inspections, video recordings, and disciplinary write-ups, should be scrutinized for accuracy and corrected or eliminated if of questionable authority. The motivation and credibility of each witness must be considered through questioning and cross-examination to determine what happened. Then the parties must be given an opportunity to summarize their respective positions.

A written decision encourages the arbitrator to outline the factual basis for the binding determination and makes it easier to evaluate whether the decision complies with the law. A written document is especially important when an individual is disciplined in a manner that is inconsistent with prior practice.

2.5.10 WAYS TO MINIMIZE DISPUTES

Important considerations that helps in minimizing the likelihood of litigation are summarized below:

Let all the people know whom to approach with service-related concerns or problems. Communication is important throughout the year--not just at annual reviews. Allow people to fully explain their views before jumping to conclusions.

Get the facts and listen carefully. Ask for clarification if necessary. Draw out as much information as you can. Interview relevant witnesses and review pertinent documents. What caused the dissatisfaction? Has someone been treated unfairly? Is there evidence of unintentional or deliberate favoritism? Be objective and consider the issue from each viewpoint.

Investigate carefully. Closely follow the organization's grievance procedure and any other relevant policies. Be tactful. Never humiliate or embarrass anyone. If the complaint is unfounded or trivial, allow the person to maintain his or her dignity. Be deliberate. Avoid snap judgments and impulsive action. Think through the situation. Talk to other people who have some detachment from the situation and get an objective appraisal, if appropriate.

Communicate throughout the process. Assure the complainant that you will get back to him or her concerning the matter. Make sure you do so. Consider all the consequences. The final decision may affect not only the individual, but also your program. A decision can be interpreted as organizational policy by a court. It may also affect staffing assignments and overall morale.

Admit mistakes. If events prove a mistake was made, admit error. You will be respected for your admission. Don't bear grudges. Explain the reasons for an adverse decision. A blunt "no" unaccompanied by an explanation will cause resentment. Do not place blame on higher management.

Establish realistic expectations. Don't make promises that might encourage unrealistic expectations or a sense of entitlement. Delineate areas where people cannot expect privacy. Avoid "always" "never" "shall" or "must" unless you intend to ensure uniform treatment for every person in every conceivable situation without exception. Make certain that everything discussing dispute resolution, disciplinary action, or reassignment contains a clear and conspicuous disclaimer that the document in no way constitutes an explicit or implicit contract and that the organization reserves the right to exercise discretion in handling each situation.

Good communication is the first defense. Strive to offer feedback in the most informal, positive, and constructive way. Make feedback a two-way street - encourage suggestions from Members to management as well as from management to staff.

Give legitimate grounds or actions and refrain from mentioning irrelevant considerations. Be honest about why an action was taken. Focus on workplace issues, not on personal or physical characteristics. Someone's race, sex, religion, national origin, age, disability, marital status, sexual orientation, or personal life should be irrelevant and, as such, be banned from comment or discussion. The grounds given should always be consistent with any written file (e.g., personal file).

Follow the organization's written procedure. To ensure that everyone is treated consistently, comply with the organization's written procedure. If you fail to do so and someone is injured, your conduct may be deemed improper, and possibly unauthorized, by the organizations own definition.

Take the time to do it right. Take each grievance seriously. Listen to anyone who has knowledge or who may want to "vent" frustrations. Be open to all suggestions regarding resolving the conflict. Anticipate and be prepared for possible negative reaction. Make sure the aggrieved party understands every step in the grievance process. Take time to document everything.

Limit the number of people involved and protect privacy. Create and enforce policies that protect the privacy of parties to a grievance. Limit access to investigatory information. Never release information to people who have no need to see it, and keep all discussions focused on the specific grievance at hand. Ensure that only truthful, relevant information is considered when making a decision and that parties are instructed not to discuss grievance matters outside the formal proceedings.

2.5.11 SUMMARY

A grievance is a complaint or dissatisfaction arising from the interpretation or application of the contract. Attempts should be made to resolve workplace grievances at the store/plant level. If a problem cannot be resolved at the store/plant level, make sure to contact Union Representative for further processing. If an employee has been suspended or terminated contact Union Representative, or the Representative on duty, as soon as possible. If you have a grievance or problem, make notes on what has happened. The grievance procedure in the collective bargaining contract is the vehicle through which the

leadership and its members may protect the contract - to ensure that the agreement and the stipulations set are enforced and adhered to. A contract that is not enforced is not worth the paper it is written on. Enforcing the contract is everybody's responsibility - members, Stewards, as well as Union representatives and officers. The Union member who does not report an injustice or violation of the contract not only hurts themselves, but every member of the Union. The purpose is to bring dignity to workers through their Union. In the end, that is what much of grievance handling is all about.

A grievance is a complaint regarding an order or action that is perceived to be unjust, discriminatory, or oppressive. A grievance procedure scrutinizes whether the challenged order or action was unfair, based upon a misinterpreted organizational policy, or contrary to the law. Many organizations use grievance procedures to address complaints concerning working conditions or program activities. An effective grievance process includes several components: a clear understanding by affected parties of the process rules, the use of written grievance and consent forms, an adequate investigation of all complaints, a full and fair hearing, and binding arbitration.

SELF CHECK EXERCISE

1. Define Grievances.

2. Define Arbitrators

2.5.12 KEY WORDS

1. A grievance is a complaint or dissatisfaction arising from the interpretation or application of the contract.

2. Arbitrators are not bound to make decisions on legal technicalities. Instead, they may decide a case on principles of fairness and good conscience. The arbitrator is not bound by the remedies requested, or even contemplated by the parties.

3. Mediation is a candid, confidential, non-binding process. It can be especially effective where the parties are locked into inflexible positions. Mediation can be attempted either before or after a written grievance is filed

2.5.13 EXERCISE QUESTIONS

SHORT QUESTIONS

1. How are grievances classified?

2. Explain Mediator

3. Who are Arbirators?

LONG QUESTIONS

1. How do you define a grievance? Explain.

2. What is the role of personnel department in grievance handling? Explain.

3. What are the advantages of a formal mechanism of grievance redressal

procedure? Explain.

4.   Explain various approaches of grievance resolution, in your opinion which approach is most effective and why?

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BBA PART-II   PAPER : BBA-301

SEMESTER-III   PRINCIPLES OF HUMAN
                                         RESOURCE MANAGEMENT

Lesson No. 2.6   Author: Sawinder Kaur

INDUSTRIAL DISPUTES (ID)

2.6.0 Learning Objectives

After studying this chapter, you should be able to:

1. Define industrial dispute.

2. Identify the factors that cause industrial disputes

3. Delineate the scenario of industrial disputes in India.

4. Bring out the consequences of industrial disputes that cause cost to the nation.

5. Suggest measures to prevent disputes.

6. Examine the machinery for settling industrial disputes.

2.6.1 CONCEPT OF INDUSTRIAL DISPUTES

According to Section 2 (k) of the Industrial Disputes Act, 1947, the term industrial disputes means "an acute or difference between employers and employers or between employers and, or between workmen and workmen, which is connected with the employment or non-employment or the terms of employment and conditions of employment of any person.

The following principles judge the nature of an industrial dispute:

1. The dispute must affect a large number of workmen who have a community of interest and the rights of these workmen must be affected as a class.

2. The dispute must be taken up either by the industry union or by a substantial number of workmen.

3. The grievance turns from individual complaint into a general complaint.

4. There must be some nexus between the union and the dispute.

5. According to Section 2A of the Industrial Disputes Act, 1947, a workman has a right to raise an industrial dispute with regard to termination, discharge, dismissal, or retrenchment of his or her service, even though no other workman or any trade union of workman or any trade union of workmen raises it or is a party to the dispute.

2.6.2 Forms of Industrial Disputes

2.6.2.1   Strike: Strike is the most important form of industrial disputes. A strike is a spontaneous and concerted withdraw of labour from production. The Industrial Disputes Act, 1947 defines a strike as "suspension or cessation of

work by a group of persons employed in any industry, acting in combination or a concerted refusal or a refusal under a common understanding of number of persons who are or have been so employed to continue to work or accept employment.

(i) **Primary Strikes:** These strikes are generally aimed against the employers with whom the dispute exists. They may include the form of a stay-away strike, stay-in, sit-down, pen-down or go-slow and work-to-rule, token or protest strike, cat-call strike, picketing or boycott.

(ii) **Secondary Strikes:** These strikes are also called the 'sympathy strikes'. In this form of strike, the pressure is applied not against the employer with whom the workmen have a dispute, but against the third person who has good trade relations with the employer. Forever, these relations are severed and the employer incurs losses.

2.6.2.2 Lock-Outs: Lock-out is the counter-part of strikes. While a 'strike' is an organized or concerted withdrawal of the supply of labour, 'lock-out' is withholding demand for it. Lock-out is the weapon available to the employer to shut-down the place of work till the workers agree to resume work on the conditions laid down by the employer. The Industrial Disputes Act, 1947 domed lock-out as "the temporary shutting down or closing of a place of business by the employee.

2.6.2.3 Gherao: Gherao means to surround. It is a physical blockade of managers by encirclement aimed at preventing the egress and ingress from and to a particular office or place. This can happen outside the organizational premises too. The managers / persons who are geared are not allowed to move for a long time. Sometimes, the blockade or confinements are cruel and inhuman like confinement in a small place without light or fans and for long periods without food and water. The persons confirmed are humiliated with abuses and are not allowed eyen to answer "calls of nature.

2.6.2.4 Picketing and Boycott: Picketing is a method designed to request workers to withdraw cooperation to the employer. In picketing, workers through display signs, banners and play cards drew the attention of the public that there is a dispute between workers and employer. Workers prevent their colleagues from entering the place of work and persuade them to join the strike. For this, some of the union workers are posted at the factory gate to persuade others not to enter the premises but to join the strike. Boycott, on the other hand, aims at disrupting the normal functioning of the organization. The striking workers

appeal to others for voluntary withdraw of cooperation wither employer. Instances of boycotting classes and examinations are seen in the Universities also.

2.6.3 CAUSES OF INDUSTRIAL DISPUTE

2.6.3.1 Economic Causes

Economic causes of mustang disputes relate to interest alter. These include wages, bonus, allowances, benefits, incentives, and working conditions. History of industrial disputes reveals that the most of industrial disputes arise out of the economic reasons. Further, wages has been the major economic reason causing industrial disputes. There are two reasons attributed to this. First, the demand for wages has never been fully met because of continuously rising inflation and high cost of living. These result in never-ending demand for upward revision of wages from the trade unions. Second, wage differential among industrial sectors, regional levels, and geographical levels, a 44e e-neater also become the bone of contention between the workers and the management.

2.6.3.2 Management Practices

Instances are galore to report that the management practices too, at times, lead to industrial disputes. These include

1. Management's threat of use of coercion in exercising the rights of workers to organize themselves in the form of union as per the legal provisions.

2. The management's unwillingness to recognize a particular trade union and its dilatory tactics in verifying the representative character of the trade union.

3. Its unwillingness to talk over any dispute with the employees or refer it to "arbitration" even when trade unions want it to do so.

4. Forcing workers either to join a particular trade union or refrain from joining a trade union. To discharge or dismiss workers by way of discrimination, victimization, or any other subjective ground.

5. The management's denial for consulting workers in the matters of recruitment, promotion, transfer, merit awards, etc.

6. The benefits offered by the management to workers are far from satisfactory.

7. Violation of norms by the management such as Code of Discipline, grievance procedures, agreements entered into between workers and management, etc.

The above management practices enrage the workers and lead to industrial disputes.

2.6.3.3 Trade Union Practices

Just like management practices, trade union practices also cause industrial disputes. Most of organizations in India have multiple unions. To quote, Durgapur Steel Plant has 15 unions in existence. Such multiplicity of trade unions, among other things, leads to inter-union rivalry. Each union tries to show its greater concern for the workers' cause so as to attract more and more workers to its folds. In this tug of war, the settlement arrived at between one union and management is opposed by other (rival) union.

2.6.3.4 Legal and Political Factors

The legal and political factors also cause industrial disputes. i multiple trade unions, we also have multiple labour laws, totaling 108, to regulate IR in our country While there exists contradiction among these laws with regard to IR on the one hand, most of labour laws enacted long back have by now outlived their relevance to a great extent in the c industrial environment, on the other. Consider just one contradiction. Minimum wages vary across different states, viz., Andhra Rs. 11, Maharashtra Rs.8, Gujarat Rs. 15, Assam Rs. 32. Haryana Rs. 51.57. So is in case of notice period also. Such a situation also at times is likely to lead to industrial dispute.

2.6.4 Prevention of industrial disputes

The preventive machinery is essentially a proactive approach to avoid industrial disputes taking place in the organisations. The preventive machinery includes various measures like trade unions, collective bargaining, grievance procedure, workers participation in managettlent, empowerment, health and safety, and social security. All these are disused separately in full-fledged chapters. The additional preventive measures include the following:

1. Joint Consultations

2. Standing Orders

3. Code of Discipline

Joint Consultations

There are two important consultative arrangements made to prevent industrial disputes. These are works committees and joint management councils.

Works Committees. As per the provisions of the Industrial Disputes Act, 1947, organisations employing 100 or more persons have to set up works committees at unit level. These committees have equal number of representatives from the workers and the employers. Works committees are purely consultative in nature and have been regarded as the most effective agency for the prevention of industrial disputes. The objectives of works committees are to:

1. Remove the causes of friction in the day-to-day work situation.

2. Foster amity and harmonious relationship between the parties.

3. Create an atmosphere for voluntary settlement of disputes and frictions.

Issues relating to wages, benefits, bonus, terms and conditions of employment, hours of work, welfare mures, training, development, promotion, transfer, etc. fall under the purview of works committees.

Joint Management Councils (JMC). In India, the joint management council (JMC) came into existence due to the provisions in this regard made by the Industrial Policy Resolution, 1956. These councils were set up to enable workers to participate in management and infuse a spirit of cooperation between the workers and the management. The salient features of the JMCs are as follows:

(i)   The scheme is a voluntary one.

(ii)   The minimum and maximum number of its members are 6 and 12 respectively consisting of equal number of representatives of workers and employers.

(iii)   The JMCs deal with matters like information sharing, consultative, and administrative.

(iv) The decisions taken by the JMC should be unanimous ones.

(v) The JMCs can be set up in the units employing 500 or more persons and having strong trade union.

Standing Orders

The purpose of having Standing Orders in the organisation is to regulate industrial relations. Essentially, the term 'Standing Orders' refers to the rules and regulations which govern the conditions of employment of workers. These standing orders are binding on the employer and the employee.

Code of Discipline Over the years, a number of measures have been adopted in India to maintain and promote discipline and harmony between the employees

and the employers. With this in view, the Second Five Year Plan suggested that a voluntary code of discipline must formulate and then abide by the same. 'following this, the Indian Labour Conference in its fifteenth session held in 1958 evolved a Code of Discipline in industry. This code was duly ratified by the national labour organizations like INTUC, AITUC, HMS, and UTUC and also by the employers associations such as FF1, AlOE and AIMO with effect from June 1, 1958. According to the Code of Discipline, both employees and employers voluntarily agree to maintain and create an atmosphere of mutual trust and co- operation in the industry.

The code of Discipline provides for that:

(i) Strikes and lockouts cannot be declared without prior notice.

(ii) No party should take any direct action without consulting the other.

(iii) The existing machinery for the settlement of disputes should be followed.

In India, the Ministry of Labour and Employment has evolved a comprehensive code of Displace maintain discipline and harmony in the industries. However, the code does not have any legal sanction. Only moral sanctions are behind it. By now, the Code of Discipline has been accepted by 200 employers and 170 trade unions.

2.6.5 Settlement of industrial disputes

The industrial disputes Indus that Disputes Act, 1947 provides a legalistic machinery for settlement of such disputes by involving the interference of a third party. The settlement machinery as provided by the Act consists of the three methods:

1. Conciliation

2. Arbitration

3. Adjudication

These are discussed one by one.

1. Conciliation

In simple sense, conciliation means reconciliation of differences between persons. Conciliation refers to the process by which representatives of workers and employers are brought together before a third party with a view to persuading them to arrive at an agreement by mutual discussion between them. The

alternative name which is used for conciliation is mediation. The third party may be one individual or a group of people. In view of its objective to settle disputes as quickly as possible. Conciliation is characterized by the following features:

1. The conciliator or mediator tries to remove the difference between the parties.

2. He/she persuades the parties to think over the matter with a problem-solving approach, i.e., with a give and take approach.

3. He/she only persuades the disputants to reach a solution and never imposes his/her own viewpoint.

4. The conciliator may change his approach from case to case as he/she finds fit depending on other factors.

Conciliation Officer: The Industrial Disputes Act, 1947, under its Section 4, provides for the appropriate government to appoint such number of persons as it thinks fit to be conciliation officers. Here, the appropriate government means one in whose jurisdiction the disputes fall. While the Corn missioner /additional commissioner / deputy commissioner is appointed as conciliation officer for undertakings employing 20 or more persons, at the State level, officers from central Labour Commission office are appointed as conciliation officers, in the case of Central government. The conciliation officer enjoys the powers of a civil court. He is expected to give judgment within 14 days of the con-incensement of the conciliation proceedings. The judgment given by him is binding on the parties to the dispute.

Board of Conciliation: In case the conciliation officer fails to resolve the dispute between the disputants, under Section 5 of the Industrial Disputes Act, 1947, the appropriate government can appoint a Board of Conciliation. Thus, the Board of Conciliation is not a permanent institution like conciliation officer. It is an adhoc body consisting of a chairman and two or four other members nominated in equal numbers by the parties to the dispute. The Board enjoys the powers of civil court. The Board admits disputes only referred to it by the government. It follows the same conciliation proceedings as is followed by the conciliation officer. The Board is expected to give its judgement within two months of the date on which the dispute was referred to it.

In India, appointment of the Board of Conciliation is rare for the settlement of disputes. In practice, settling disputes through a conciliation officer is more common and flexible.

2. Arbitration

Arbitration is a process in which the conflicting parties agree to refer their dispute to a neutral third party known as 'Arbitrator'. Arbitration differs from conciliation in the sense that in arbitration, the arbitrator gives his judgement on a dispute while in conciliation, the conciliator only facilitates the disputing parties to reach at a decision. The arbitrator does not enjoy any judicial powers. The arbitrator listens to the view points of the conflicting parties and then gives his decision which is binding on all the parties. The judgement on the dispute is sent to the government. The government publishes that judgement within 30 days of its submission and the same becomes enforceable after 30 days of its publication.

In India, there are two types of arbitration: Voluntary and Compulsory.

Voluntary Arbitration: In voluntary arbitration both the conflicting parties appoint a neutral third party as arbitrator. The arbitrator acts only when the   dispute is referred to him/her. With a view to promote voluntary arbitration, the Government of India has constituted a tripartite National Arbitration Promotion Board in July 1987, consisting of representatives of employees (trade unions), employers and the Government. However, the voluntary arbitration could not be successful because the judgements given by it are not binding on the disputants.   Yes, moral binding is exception to it.

Compulsory Arbitration: In compulsory arbitration, the government can force the disputing parties to go for compulsory arbitration. In other form, both the disputing parties can request the government to refer their dispute for arbitration. The judgement given by the arbitrator is binding on the parties of dispute.

Adjudication

The ultimate legal remedy for the settlement of an unresolved dispute is its reference to adjudication by the government. The government can refer the dispute to adjudication with or without the consent of the disputing parties. When the dispute is to adjudication with the consent of the disputing parties, it is called 'voluntary adjudication.' When the government herself refers the dispute to adjudication without consulting the concerned parties, it is known as 'compulsory adjudication.'

The Industrial Disputes Act, 1947 provides a three-tier machinery for the adjudication of industrial disputes:

1. Labour Court

2. Industrial Tribunal

3. National Tribunal

A brief description on these follows.

Labour Court: Under Section 7 of the Industrial Disputes Act, 1947, the appropriate Government by notifying in the official Gazette, may constitute Labour Court for adjudication of the industrial disputes. The labour court consists of one independent person who is the presiding officer or has been a judge of a High Court, or has been a district judge or additional district judge for not less than 3 years, or has been a presiding officer of a labour court for not less than 5 years. The labour court deals with the matters specified in the second schedule of the Industrial Disputes Act, 1947. These relate to :

1. The property or legality of an employer to pass an order under the standing orders.

2. The application and interpretation of standing orders.

3. Discharge or dismissal of workers including reinstatement or grant of relief to workmen wrongfully dismissed.

4. Withdrawl of any statutory concession or privilege.

5. Illegality or otherwise of a strike or lockout.

6. All matters other than those reserved for industrial tribunals.

Industrial Tribunal: Under Section 7A of the Act, the appropriate Government may constitute one or more Industrial tribunals for the adjudication of industrial disputes. Compared to labour court industrial tribunals have a wider jurisdiction. An industrial tribunal is also constituted for a limited period for a particular dispute on an adhoc basis. The matters that come within the jurisdiction of as industrial tribunal include the following:

1. Wages, including the period and mode of payment.

2. Compensatory and other allowances.

3. Hours of work and rest periods.

4. Leave with wages and holidays.

5. Bonus, profit sharing, provident fund, and gratuity.

6. Classification by grades.

7. Rules of discipline.

8. Rationalisation.

9. Retrenchment of employees and closure of an establishment or undertaking.

10. Any other matter that can be prescribed.

National Tribunal: This is the third one man adjudicatory body appointed by the Central Government by notification in the Official Gazette for the adjudication of industrial disputes of natior importance. The central Government may, if it thinks fit, appoint two persons as assessors to advise. the National Tribunal. When a national tribunal has been refer to, no labour court or industrial tribunal shall have any jurisdiction to adjudicate upon such matter.

2.6.6 SUMMARY

1. Industrial disputes refer to differences or disagreement between employees and employers. Industrial disputes arise because of economic reasons, management practices, trade union practices, and legal and political factors.

2. The number of industrial disputes is continuously on increase. There has been a perceptible shift in balance of power in favor of employers during the post liberalization period. That is why the number of strikes is on decline and that of lockouts on increase.

3. Loss of production, income, employment and increase in inflation and cost of living has been the common consequences of industrial disputes.

4. Hence, disputes are considered as endemic to the industrial society.

5. Prevention machinery of industrial disputes comprises collective bargaining, grievance procedure, workers' participation in management, empowerment, joint consultations, standing orders, and code of discipline.

6. Machinery for settlement of industrial disputes consists of conciliation, arbitration, and adjudication.

   SELF CHECK EXERCISE

   1. Define Arbritration

   2. What are Industrial Disputes. How they can be settled?

2.6.7 Key Terms

Adjudication   Conciliation

Arbitration   Lockout

Code of Discipline

2.6.8 EXERCISE QUESTIONS

SHORT QUESTIONS

1. Define Industrial Disputes?

2. How can be industrial disputes prevented?

3. Write short notes on:

      Standing Orders

      Code of Discipline

      Conciliation

      Arbitration

      Adjudication

LONG QUESTIONS

1. Define the term industrial dispute. What are the important causes of industrial disputes in India?

2. Give an account for the phenomenal growth in industrial disputes in India. Also delineate the industrial disputes scenario during the post- liberalization period.

3. Industrial dispute or conflict is endemic to industrial society". Explain.

4. "There are two approaches of managing industrial disputes in an organization: preventive and curative". Discuss the statement.

5. Issues the major causes of industrial disputes in India and explain the machinery available for resolving them under the Industrial Disputes Act, 1947.

6. What are the legal provisions for settling industrial disputes in India? Suggest measures how to strengthen the settlement machinery.

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Lesson No. 2.7	Author : Dr. Dhiraj Sharma

MANAGEMENT OF WORKPLACE - EMPLOYEE SAFETY AND HEALTH

STRUCTURE OF THE LESSON

2.7.10 UNSAFE CONDITIONS AND OTHER WORK RELATED FACTORS

2.7.11 CAUSES OF UNSAFE ACTS

2.7.12 MANAGEMENT COMMITTEE AND SAFETY

2.7.13 EMPLOYEES SAFETY MOTIVATION AND INCENTIVE

2.7.14 SUMMARY

        SELF CHECK EXERCISE

2.7.15 KEY WORDS

2.7.16 EXERCISE QUESTIONS

2.7.17 REFERENCES AND FURTHER READING

2.7.0 LEARNING OBJECTIVES:

After reading this lesson, you will be able to:

- Know the importance of employee health and safety;

- Define Health and Safety;

- Analyse the remedial measures for occupational diseases; and

- Bring out the remedial measures for Industrial Accidents.

2.7.1 INTRODUCTION

Today employees expect their employers to provide work environments that are safe and healthy. However, many employers once viewed accidents and occupational diseases as unfavorable byproducts of work. This idea may still be prevalent in many industrial settings in underdeveloped countries like India, the idea must be replaced with the concept of using prevention and control to minimise or eliminate risks in workplace. Employers in variety of industries have found that placing emphasis on health and safety pays off in a number of ways.

Good companies maintain safe working environments by making health and safety a top priority throughout the organisation. Health and safety are important aspects of an organisation's smooth and effective function. Good health and safety performance ensures an accident - free industrial environment.

Companies seek to create common health and safety philosophies, strategies and processes. To ensure health and safety consistency and promote an overall health and safety culture, leading benchmark companies coordinate key strategies and activities through a centralised oversight department, such as corporate health and safety.

Awareness of Occupational Health and Safety (OH & S) has improved in India considerably. Organisations have started attaching the same importance to achieve high (OH & S) performance as they do to other key aspects of their business

activities. This demands adoption of a structured approach for the identification of hazards, their evaluation and control of risks.

Government of India believes that without safe and healthy working conditions, social justice cannot be achieved and the attainment of safety and health at work is fundamental to economic growth.

Under the constitution of India the Directive Principles of the State policy provides,

1. For securing the health and strength of workers, men and women and providing

2. Just and humane conditions of work and maternity relief (Article 42)

On the basis of these Directive Principles, the Government of India declares its policy, priorities and strategies, purposes through the exercise of its power. The formulation of policy, priorities and strategies in occupational safety, health and environment at work places is not undertaken by national authorities alone but in some form of consultation with the social partners i.e. employees organisations, autonomous & voluntary organisations public etc for agreement and involvement for ensuring set goals and objectives.

The changing job patterns and working relationships, the rise in self employment greater sub-contracting, out sourcing of work and the increasing number of employees working away from their establishment and home work pose the problem of management of occupational safety and health risks. New safety hazards and health risks will be appearing along with the transfer and adoption of new technologies. In addition, many of the well known conventional hazards will continue to be present at the workplace many years ahead till the risks arising from exposure to these hazards are brought under adequate control.

Definitions

Safety: It is state of absence or freedom from risk of injury, accident, or dangerous occurrence.

Health: It is a state of complete physical, mental, and social well-being, not merely an absence of disease or injury.

Accident: It is an unplanned and uncontrolled event that has led to, or could have caused, injury to persons, damage to plants, or any other loss.

2.7.2 EMPLOYEE HEALTH

Health refers to general state of physical, mental and emotional well-being. A healthy person is free of illness and injury. Health management practices in organisations strive to maintain the overall well-being of individuals.

Employees' health problems are varied and inevitable. They can range from minor illnesses such as colds to serious illnesses related to the jobs performed. Some employees have emotional health problems; others have alcohol or drug

problems. Some problems are chronic; others are transitory, but all may affect organisational operations and individual employee productivity.

The well-being of the employee in an industrial establishment is affected by accidents and by ill-health; physical as well as mental. Ill health of employees results in reduced productivity, higher unsafe acts, and increased absenteeism. A healthy worker, on the other hand, produces results opposite to these. In other words, healthy employees are more productive, more safety conscious, and are more regular to work. The worker who is healthy is always cheerful, confident looking, and is an invaluable asset to the organisation.

A realisation of the advantage, which flow from a healthy workforce, has impelled much management to provide health services to their employees, which vary from the simple provision of first-aid equipment to complete medical care. Many progressive organisations maintain well-equipped dispensaries with full-time or part-time doctors and full-time compounder/nurses. Unlike his/her counterpart of yester-years, who would take every precaution to protect his horses against diseases but felt that the health of the human worker was his own business. The manager of today is fully aware of the advantages of having a healthy workforce.

The protection of the health of the workers is a legal requirement too. Sections 11 to 20 of the Factories Act, 1948 deal with the health of workers.

Provisions of the Act:

- Factory to be kept clean and free from effluviant and dirt (S.11).

- Arrangements to be made for disposal of wastes and effluents (S.12).

- Adequate ventilation and temperature to be provided (S.13).

- Measures to be taken for prevention of inhilation or accumulation of dust and fumes (S.14).

- Standards for artificial humidification to be fixed (S.15).

- Overcrowding related injuries to health of workers to be avoided. 9.9/14.2 cubic metres of space must be provided for each worker (S.16).

- Sufficient and suitable lighting must be provided in every part of the factory (S.17).

- Glazed windows to be kept clean. Measures need to be taken for prevention of glare and formation of shadows (S.17).

- Suitable points for wholesome drinking water must be provided. Drinking points to be legibly marked and located away from urinals. Water needs to be cooled if the number of workers is 250 or more (S.18).

- Latrines and urinals to be separately provided for male and female workers. They should be well lighted and ventilated (S.19).

- Sufficient number of spittoons must be provided. Whoever spits outside the spittoons shall be punishable (S.20).

2.7.2.1 Job Stress and Burnout

Problems such as alcoholism and drug abuse sometimes result from stress, especially job stress. Here job-related factors such as overwork, relocation, and processing with customers eventually put the person under such stress that a pathological reaction such as drug abuse occurs.

A variety of external environmental factors can lead to job stress. These include work schedule, pace of work, job security, route to and from work, and the number and nature of customers or clients. Even noise including people talking and telephones ringing, contribute to stress.

However, no two people react to the job in the same way, because personal factors also influence stress. For example type a personalities – people who are workaholics and who feel driven to always be on time and met deadlines – normally place themselves under greater stress than do others. Job stress has serious consequences for both employer and employee. The human consequences include anxiety, depression, anger and various physical consequences, such as cardiovascular disease, headaches, and accidents. For the organisation, consequences include reductions in the quantity and quality of job performance, increased absenteeism and increased grievances and health care costs.

There are number of ways to alleviate stress. In his book "Stress and the Manager" Karl Albrecht suggests the following ways to reduce job stress:

1. Build rewarding, pleasant, cooperative relationships with colleagues and employees

2. Don't bite off more than you can chew

3. Build an especially effective and supportive relationship with your boss

4. Negotiate with your boss for realistic deadlines on important projects.

5.   Learn as mush as you can about upcoming events and get as much lead time as you can to prepare for them.

6.   Find time everyday for detachment and relaxation.

7.   Take a walk around the office to keep your body refreshed and alert.

8.   Find ways to reduce unnecessary noise.

9.   Reduce the amount of trivia in your job; delegate routine work whenever possible.

10.   Limit interruptions.

12.   Don't put off dealing with distasteful problems.

12.   Make a constructive "worry list" that includes solutions for each problem.

The employer and its human resource specialist and supervisors can also play a role in identifying and reducing job stress. Supportive supervisors and fair treatment are two obvious steps. Other steps include:

i. Reduce personal conflicts on the job.

ii. Have open communication between management and employees.

iii. Support employees' efforts for instance, by regularly asking how they are doing.

iv. Ensure effective job-person fit, since a mistake can trigger stress.

v. Give employees more control over their jobs.

vi. Provide employee assistance programmes including professional counseling.

2.7.3 COMPUTER RELATED HEALTH PROBLEMS

The fact that many workers today must spend hours each day working with computers is creating health problems at work. Short – term eye problem like burning, itching, and tearing as well as eyestrain and eye soreness are common complaints among video display users.

Backaches, and neck aches are widespread among display users. These often occur because employees try to compensate for awkward body positions. Researchers also found that employees who used video displays and had heavy

workloads were prone to psychological distress like anxiety, irritability and fatigue.

The following measures have been further recommended:

1. Give employees rest breaks. The institute recommends a 15 minute rest break after two hours of continuous work for operators under moderate work loads and 15 minute breaks every hour for those with heavy work loads.

2. Design maximum flexibility into the work station so it can be adapted to the individual operator. For example, use adjustable chairs with mid back supports and a video display in which screen height and position are independently adjustable.

3. Reduce glare with devise such as shades over windows, terminal screen hoods properly positioned, and recessed or indirect lighting.

4. Give workers a complete pre-placement vision exam to ensure properly corrected vision for reduced visual strain.

5. Place the keyboard in front of the employee, titled away with the rear portion lower than the front.

6. Place the computer mouse and mouse pad as close to the user as possible and ensure there are no obstructions on the desk that impede mouse movement.

7. Allow the user to position his or her wrists at the same level as the elbow.

8. Put the monitor at or just below eye level at a distance of 18 to 30 inches from the eyes.

9. Let the wrist rest lightly on the pad for support.

10. Put the feel flat on the floor, or on the footrest.

2.7.4 WORKPLACE SMOKING AND DRINKING

Smoking is a serious problem for both employees and employers. Studies even shown that for some reason, smokers have a significantly greater risk of occupational accidents than do non smokers, as well as much higher absenteeism rates. In general, "sometimes employee are less healthy than non- smokers, are absent more, make more and more expensive claims for health and disability benefits and endangers co-workers who breathe smoking air.

Alcoholism is a serious and widespread disease. It does not strike any particular group – alcoholism can strike employees from the junior to the general manager. The effects of alcoholism on the worker and on the work are serious. Both the quality and quantity of work decline sharply. A form of "on-the-job absenteeism" occurs as efficiency declines. An alcoholic worker is more unlikely to observe safety precautions while on the job or off the job. Morale of the other workers is likely to suffer as they are required to do the work of their alcoholic peer.

Organisations employ three techniques to tackle alcoholism in workplaces. First is disciplining alcoholics. Where disciplining fails, the alcoholic is discharged. Second is in-house counseling by the HR department, the company doctor or by immediate supervisor. Finally, companies use outside agencies, psychiatrists and clinics to deal with the problem of alcoholism.

Drug abuse is a recent phenomenon and is a serious one. Drug abuse is more evident among young employees and is found across all job levels. Employees who are drug addicts are often much more difficult to detect than alcoholics- liquor is easy to smell but not drugs. Drug abuse affects job performance. The problem of a drug addict indicates his or her on-the-job behaviour.

2.7.5 NOISE CONTROL

An age-old problem, and not effectively tackled till now, is the noise in industrial establishments. Noise made its appearance in organisations when human started working on metal. As civilisation advanced, human discovered more and more ways of having machines to do his/her work, and each new machine added to the problem. For quite a number of years, noise was endured by all. But, in the recent past, the increasing use of machines of great speed is telling upon the health of the workers.

Long exposure to excessive noise impairs the hearing of employees. The level and duration of noise and the exposure that is likely to cause deafness varies from person to person. It is agreed that long exposure to noise in excess of the prescribed limits makes one deaf.

Hearing loss is not only effect of noise. Constant exposure to high noise levels can cause hormonal imbalances, changes in blood circulation, dizziness, increase in respiratory rate, heartburn, sleep disturbances and fatigue.

2.7.6 VIOLENCE IN THE WORK PLACE

Violence in the work place, once an exception to daily work life, has become common these days. Those who are at high risk are taxi drivers, police officers,

retail workers, cashiers at petrol bunks, and people who work alone or at night. Violent incidents include fist fights, shooting, stabbing and sexual assault.

Violence disrupts productivity; causes untold damage to those exposed, and costs employers millions of rupees. Obviously, organisations should initiate measures to protect employees and physical resources. It is important that companies concentrate on avoiding violence rather than simply dealing with it after it occurs.

2.7.7 HEALTH PROMOTION

Employers concerned about maintaining a healthy workforce must move beyond simply providing healthy working conditions and begin promoting employee health and wellness in other ways. Health promotion is a supportive approach to facilitate and encourage employees to enhance healthy actions and life styles. Health promotion efforts can range from providing information and enhancing employee awareness of health issues to creating an organisational culture supportive of employee health enhancements. Going beyond just compliance with workplace safety and health regulations. Organisations engage in health promotion by encouraging employees to make physiological, mental, and social choice that improve their health.

WELLNESS PROGRAMMES

Employers desire to improve productivity, decrease absenteeism. Wellness programmes are designed to maintain or improve employee lifestyle changes. Early wellness programmes were aimed primarily at reducing the cost and risk of disease. Newer programmes emphasise healthy lifestyles and environment, including reducing cholesterol and heart disease risks and individualised exercise programmes and follow-up. Employer sponsored support groups have been established for individuals dealing with health issues such as weight loss, nutrition, or smoking cessations.

2.7.8 EMPLOYEE SAFETY

An accident-free plant enjoys certain benefits. Major ones are substantial savings in cost, increased productivity, and moral and legal grounds. Safety refers to protecting the physical well-being of people. The main purpose of effective safety programmes is to prevent work-related injuries and accidents.

2.7.9 CAUSES OF ACCIDENTSThere are three basic causes of workplace accidents: (a) chance occurrences, (b) unsafe conditions, and (c) unsafe acts on the part of employees. Change occurrences contribute to accidents but are more or less beyond management's control (such as walking past a plate-glass window just as some one hits a ball through it). We will therefore focus on unsafe conditions and unsafe acts.

2.7.10 UNSAFE CONDITIONS AND OTHER WORK RELATED FACTORS

Unsafe conditions are one main cause of accidents. The mechanical and physical conditions that cause accidents. They include such as:

• 	Improperly guarded equipment.

• 	Defective equipment

• 	Hazardous procedures in, on or around machines or equipment.

• 	Unsafe storage: congestion, overloading.

• 	Improper illumination: Glare, insufficient light.

• 	Improper ventilation: Insufficient air change impure air source.

In addition to unsafe conditions three other work related factors contribute to accidents: the job itself, the work schedule, and the psychological climate of the workplace. Certain jobs are inherently more dangerous. For example, the job of crane operator results in about three times more accident related hospital visits than does the job of supervisors. Similarly some departments' work is inherently safer. A book keeping department usually has fewer accidents than a shipping department.

Work schedule and fatigue also affect accident rates. Accident rates usually don't increase too noticeably during the first five or six hours of the work day. But after that, the accident rates increases faster than the increase in the number of hours worked. This is due partly to fatigue and partly to the fact that accidents occur more often during night shifts.

Unfortunately some of the most important working conditions – related causes of accidents are not as obvious because they involve workplace psychology. A strong pressure within the organisation to complete the work as quickly as possible, employees who are under a great deal of stress and a poor safety climate. Accidents occur more frequently in plants with a high seasonal layoff rate and where there is hostility among employees many garnished wages and blighted

living conditions. Temporary stress factors like high work place temperature, poor illumination and a congested workplace also correlate with accident rates.

2.7.11 CAUSES OF UNSAFE ACTS

Most safety experts and managers know it is impossible to eliminate accidents just by reducing unsafe conditions. People cause accidents with unsafe acts such as throwing materials using unsafe producers in loading, placing or mixing by lifting improperly.

While safe acts can undo even the best attempts to minimise unsafe conditions. For years psychologists assumed that some employees were simply more accident prone than others, and the accident prone people generally caused more accidents.

Therefore, while some believe that most accident-prone people are impulsive, most experts today doubt that accident proneness is universal that some people will have more accidents no matter what the situation. Instead, the consensus is that the person who is accident prone on one job may not be so on a different job.

Various human traits do relate to accident proneness in specific situations. For example, accident prone drivers performed worse in a test of motor skills than did drivers with fewer accidents and older adults with impaired vision were at a higher risk for falls and motor vehicle crashes. People who were more fatalistic, negative and cynical were more likely to exhibit violent behaviour in the job.

Reducing Unsafe Acts by Emphasizing Safety:

It is the responsibility to set the tone so subordinates want to work safely. It is necessary to show by both word and deed that safety is crucial. For example, supervisors should:

1.   Praise employees when they choose safe behaviors.

2.   Listen when employees after suggestions, concerns or complaints.

3.   Be a good example, for instance by following every safety rule procedure.

4.   Visit plant areas regularly.

5.   Maintain open safety communications – for instance, by telling employees as much as possible about safety activities such as testing alarms and changing safety equipment or procedures.

6.   Link manager's bonuses to safety improvement.

2.7.12 MANAGEMENT COMMITTEE AND SAFETY

Telling supervisors to watch for spills and telling employees to work safely is futile if everyone in the firm believes management isn't serious about safety. Safety starts with top management commitment.

Everyone should see convincing evidence of top management commitment. This includes top management being personally involved in safety activities; giving safety matters high priority in meetings and production scheduling; giving the company safety officer high rank and status; and including safety training in new workers training ideally "safety is an integral part of the system, woven into each management competency and a part of everyone's day to day responsibilities" In addition:

i.   Institutionalise management's commitment with a safety policy and publicise it. This should emphasise that the firm will do everything practical to eliminate or reduce accidents and injuries. Emphasise that accidents and injury prevention are not just important but of the utmost importance.

ii.   Analyse the number of accidents and safety incidents and then set specific achievable safety goals.

2.7.13 EMPLOYEES SAFETY MOTIVATION AND INCENTIVE

To encourage employees to work safety many organizations have used safety contests work behaviour. Jewelry, clocks, watches, and even vocation trips have been given as rewards for good safety records. Unfortunately some evidence indicates   that incentives tend to reinforce under reporting and "Creative" classifying of accidents. This concern about safety incentives, raised by OSHA, is that employees and managers do not report accidents and injuries so that they may collect the incentive rewards.

2.7.14 SUMMARY

One has to develop special programmers for hazardous occupations and specific sectors; set up training mechanisms; create nation-wide awareness; arrange for the mobilisation of available resources and expertise.

Through dedicated and concerted efforts India will certainly and steadily march towards economic prosperity consistent with the requirements of safety, health and environment at workplace thereby improvising the standard of living of the people. Particular attention needs to be paid to the hazardous occupations and of

workers in precarious conditions such as migrant workers and various vulnerable groups of workers. Work related hazards and occupational diseases in small scale industries and agriculture are likely to increase as the occupational safety and health services are out of reach in these

Thousands of employees die every year in factories due to accidents. An accident-free plant can save on cost, increase productivity, discharge moral commitment towards workers and comply with legal provisions.

Companies have to develop common health and safety philosophies, strategies and processes. To ensure health and safety consistency and promote an overall health and safety culture, leading benchmark companies have to coordinate key strategies and activities through a centralized oversight department, such as corporate health and safety.

SELF CHECK EXERCISE

1.   What are the causes of Unsafe Events?

2.   How could incentives lead to employee Safety Motivation?

2.7.15 KEY WORDS

1.   *Safety*: It is state of absence or freedom from risk of injury, accident, or dangerous occurrence.

2.   *Health*: It is a state of complete physical, mental, and social well-being, not merely an absence of disease or injury.

3   *Accident*: It is an unplanned and uncontrolled event that has led to, or could have caused, injury to persons, damage to plants, or any other loss.

3.7.1   SELF ASSESSMENT QUESTIONS
SHORT QUESTIONS

1.   Define Health and Safety in an Organisation.

2.   Write a short note on Employees Safety and its importance.

LONG QUESTIONS

1. Analyze the need of introducing healthy and safety-working environment in industries.

2. Explain health and safety conditions and its remedial measures in industries.

3. Write a note on Management Commitment and Safety.

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DEPARTMENT OF DISTANCE AND ONLINE EDUCATION

PUNJABI UNIVERSITY, PATIALA

STUDENT'S RESPONSE-SHEET

Roll No...................

Paper : BBA-301

Class : BBA Part-II

Semester-III

Principles of Human Resource Management

Lesson No. 6-12

Response Sheet No. 2

Date of receipt of lesson...............

Marks obtained.................

Date of submission of Response-Sheet by the student....

Date & Signature of the Examiner

....

No. of pages attached.....................

Name & address of the student

Date of receipt in the Department

below in BLOCK LETTERS:

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Attempt any four questions

1.   What is transfer? Discuss the purpose of transfer.

2.   Discuss the major reasons of separation of employees.

3.   Discuss different disputes resolving mechanisms by relevant examples.

4.   How do you define a grievance ? Explain.

5.   Explain health and safety conditions and its remedial measures in industries.

Mandatory Student Feedback Form

https://forms.gle/KS5CLhvpwrpgjwN98

Note: Students, kindly click this google form link, and fill this feedback form once.