Indian Institute Of **Technology** Delhi **Presents** Under the auspices of **National Program on Technology Enhanced Learning NPTEL** (An MHRD initiative) **TECHNOVISION Educational Technology Services Centre** IIT DELHI **PRESENTS** A Video Course On **Management Science** BY Prof. Anuradha Sharma Department of Humanities and Social Sciences, IIT DELHI Lecture # 22 **Industrial Relations Conflict Management**

We are discussing industrial relations and conflict management.

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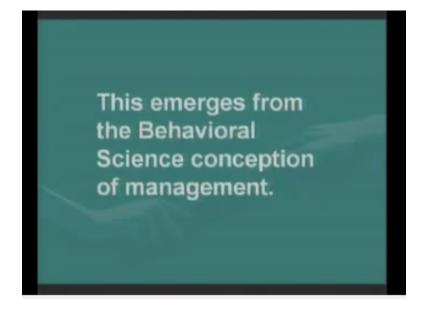
In this section we will try to understand what the meaning of industrial reasons is and how conflict management is tern and what is the aspect of conflict management. So in the first part and discussing the industrial reasons

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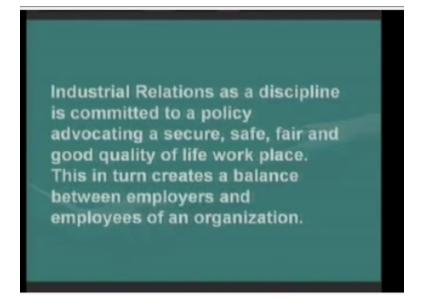
We try to understand the concept and defined various aspects and discussing model of industrial relation. The field of industrial relation looks at relationship between management and workers particularly workers and unions in an organization. Earlier also we have try to understand that the any organization, union labor, workers, managers, and the decision makers they are all working to achieve at certain final objectives and goals.

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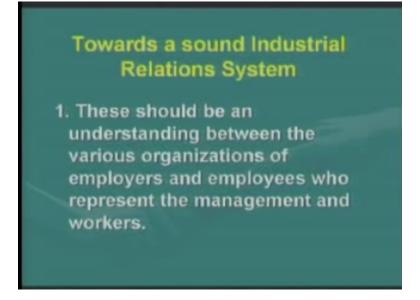
So this concept which emerges from the behavioral science aspect of management, earlier in our introduction we have seen there is a behavioral science school of thought. That is making lot of contributions to management studies. And this is one of the major contribution we can say industrial relation has a discipline is committed.

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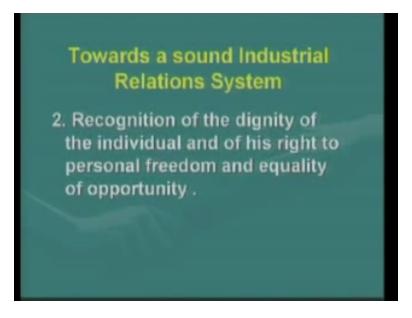
To policy advocating a secure, safe, fair and good quality of work place or we can say good quality work life. This in turn creates a balance between employers and UN employers of an organization. So we are trying to understand what a sound industrial relation system is.

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Now we will discuss some of these aspects, first that these should be within understanding between various organizations of employers who represents the management and the workers.

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When we are looking at this sound industrial relationship policy the other aspect the second aspect that we are trying to discuss is recognizing of dignity of the individuals. And in this right to personal freedom and the equality of opportunity in other wards what we are trying to say that when we are trying to talking about industrial reason system we are looking at individual gas a performer is dignity becomes very important at the place of work.

From here we move on to our third understanding, third aspect the third point I can say that we should also keep in mind that mutual respect, confidence, understanding, good well being perhaps in a well being should written here.

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Towards a sound Industrial Relations System 3. Mutual respect, confidence, understanding, good well and acceptance of responsibility on the part of both employer, management.

And expectance of responsibility on the part of both employers and the management that is another aspect of I mean good industrial relation system.

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Towards a sound Industrial Relations System 4. Workers and their representations in the exercise of the rights and duties in the operation of the industry.

So this sound industrial relationship system policy in this we are talking about workers and their representatives. And representation in the exercise of the right and duties of operations of the industrial

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Features of Industrial Work

 The industry is the association of large number of workers, supervisors, managerial personnel, consultants and stakeholders. Industry bring all these people together as a group to do the same work. This association bring group relationship. This relationship affects social, economic, political and cultural life of the community.

Now we move on to the features of industrial relations system or industrial work which relates to industrial relate system. The industry is the association of the large number of workers, supervisors, managerial person's consultancy and stakeholders and many other perhaps. So industry brings all these people to gather has a group o done this same wok. That means we are all we all joint to gather to actually arrive the final result.

That is the objective and goal of the industry and this association brings group relationships this relationship in turn. Affects social, economic, political, and cultural life's of the community because once we come to gathered working in an organization. We become a community and industrial relationship perhaps you know helps us in giving well being to this community. That is the thing we are trying to understand today, then we look at the feature of industrial work, we also have o understand that the large scale industry.

Needs highly specialized human resources and these human resources further it needs in diversified skills and dynamic talent. The specialized and diversified skills demand containing training of employees in addition to the blue collar and workers and perhaps you know the other workers we have to understand that how the whole skill emerges how the whole idea has emerged.

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So this brings has to the understanding of industrial work which says that this can reduce workers, independence sometimes. So that also aspect we have to considered.

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Features of Industrial Work 4. The large-scale and developed industries resort: tall organisation which reflects centralisation of authority and responsibility. Tall organisations are also characterised by rules and regulations. Workers develop a feel of alienation and loss of freedom. Workers are treated as a "cog in the machine," in large organisations.

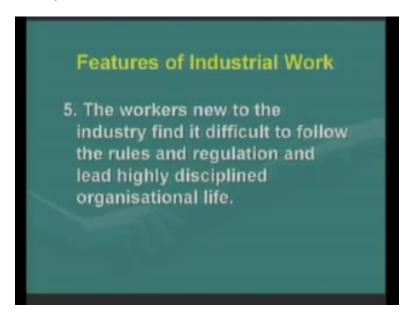
Further large scale and developed industries resort and the tall organization which refaced centralization of the authority and responsibility and the tall organization are also characterized by rules regulations. Workers and the way you know the organization has to work in terms of you know following the authority. If you recollect in our discussion on types of organization we will discussing the tall organization.

And the flat organization if you reflect their okay so the idea they we are discussed that the tall organization will have many levels of authority. And flatter once will have less number of

authorities. So the workers developed the feeling of some sort of elevation. And loss of freedom in tall organization and so industry relation system we also have to keep that into consideration. And workers are treated cog in the machine in large organization.

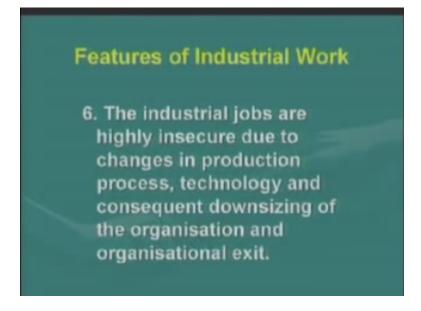
So we are same that they should not any large organization but there has to be optimum sized because without good industrial system. We cannot already achieve those workers.

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The workers now we can say in the new industrial environment find a difficult to follow the rules and regulations and lead highly disciplined. Organizational life sometimes that might also have

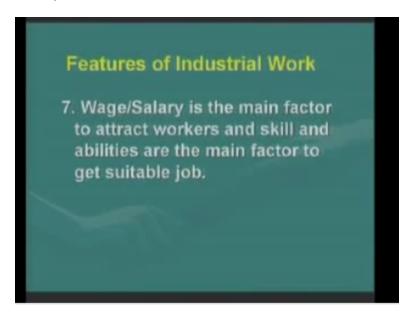
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And when we are looking at the industrial work the industrial jobs are highly in secure sometimes. Due to changes in production process, technology and consequent downsizing of the organization and the various other aspect of organizational except and shown. In fact we will discussing about some of the reason concepts in I will trying to introduce to you the management concept.

We have discussed about what you mean by downsizing and many other concept we are taking of there.

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So they are continuing with our features of industrial work and the other aspect of the industrial work is that wages salary is the main factor and the attract the worker. And the skills and ability are the main factors to get actually the suitable jobs.

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Industrial employment is mostly based on the economical considerations, and the employers buy the labor and the you can say that industries. They buy the labor and the workers sell it in some economic terms we can say that. But then we just cannot delete the human aspect, from that you know buying and selling process. Because after we are highline people not only their hands we are highline the whole man.

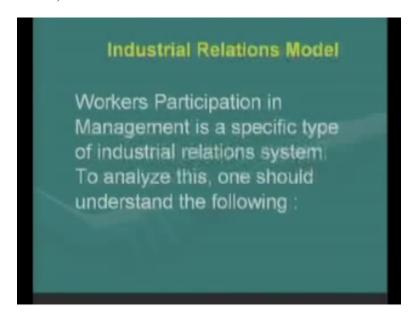
It comes there with this expectation with his desires in addition to this skill and in addition to expectation from money. So we have to understand that industrial relation system actually impinges on our whole process of industrial work life. We can say that now workers participation model.

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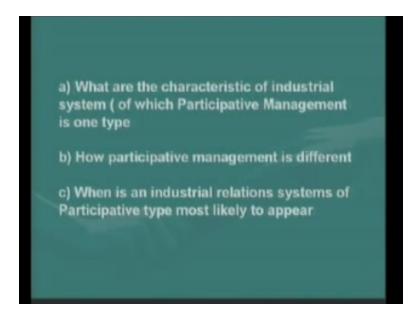
If we try to understand the industrial relationship model workers participating management is has specific type of industrial system. To analysis this and this should be understood in some of the following terms. I am just talking about to workers participation because this has become one of the interesting industrial relationships. Even though we will talking about participative management in create details in our next couple of lecture.

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In fact we will devote about two hours discussing workers participating in management on participative management and we will discuss in a many other things in details. But just for today we are discussing the worker participating in management is also the specific type of industrial relations system. And in this we have to understand.

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That we look at the characteristic of industrial relation system of which participative management is one type. Then how production? How participating management? Is different from others terms of industrial relation system. And when industrial relations system of participative management most likely to appear.

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From here we move on to the major determines of major industrial system the major group of determine. We can say are the environment influences on the social system, when we look at the other aspect participative management. In an industrial relations system becomes important because the common objective of the participate becomes extremely important.

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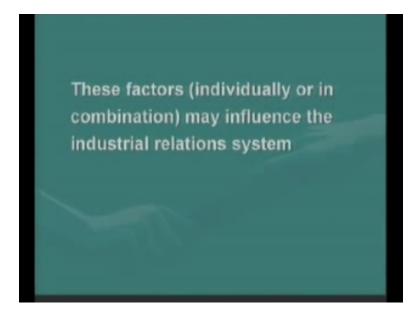
The many of bringing about the integration among this participation becomes important.

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In addition to this we have to understand that some of the environmental factors which are very important in the whole industrial relation system. Are degree of industrial the extent and pace of economic development, method of production, wage and salary structure, conditions of labor market, social political power structure, ideology and social values, prevailing legal system.

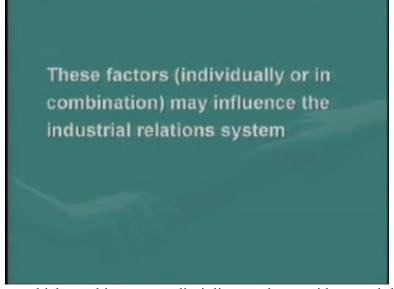
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So when we move on to these factors this factors actually in combination may influence the industrial relation system. While we are discussing these environmental factors, we can see on

the one hand we are talking about the social values, the culture of a particular industrial or particular we can say country, and on the other hand we are also talking about the place of technological development, developing society, also the social economic level of a in a particular country, and the prevailing legal structure so from here we come to an analysis that the whole industrial relation system.

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Is basically a system which combines many disciplines and many ideas, and the combination of all these actually result into industrial relation system, so we cannot say that it is one discipline that explains the industrial relation system, and that inches on our industrial production process, and that is why we have to be extremely, I should say careful and in fact you know concern, about the whole aspect of the industrial relations in any organization, the management of any organization.

So as we have seen this set of environmental factors, which in combination are individually, affect the industrial relations system.

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These factors (individually or in combination) may influence the industrial relations system including Participative

And this also includes the participants, we have talked about participants in many ways, even earlier in the earlier part of this course, but let us see if we want to be very specific that the participants, who are the participants? And what is the management system. (Refer Slide Time: 17:58)

Participative of Individual Relations System

- Hierarchy of workers
- Hierarchy of managers / employers
- The special Govt. agencies dealing with labour problems

So participant when we are talking about, the participants in an industrial relation system, then we have to talk about the hierarchy of workers, hierarchy of managers or employers and the special government agencies dealing with labour problem. (Refer Slide Time: 18:28)

The common objectives of the participants

Participants do not function in vacuum. Their objective and related actions are influence by the environment other participants and their won interest which may change over years. Participants as collective unit i.e.

So if we want to be very specific about understanding that means the workers, managers and the labour department we can say, the government agencies which are monitoring the functioning of an organization from the government side, so all these in combinations will determine the type of industrial relations system that we will have, so once we have understood there are different participants in an industrial relation system.

We will talk about the common objectives of this participant for an industrial relations system, when we move on to the common objectives of industrial relations systems, we see that the participants do not function in vacuum, they have already seen that the environmental forces are extremely important for industrial relation system, and so the in fact any of the behavior, anybody's behavior is not actually happening in an vacuum.

We have in a certain process which will affect our behavior, so is the case with industrial relation system, so participant do not function in a vacuum, the objectives and the related actions and the influence the environmental factors, and other participants and their own we can say their own interest, these in combination will actually determine, the behavior in the participants in an industrial relation system.

So participants are actually the collective units, but when we are analyzing then we have to understand that, even within that collective unit they also have their own expectations, they also have their own analysis and then it works as a collective end we can say that, one on the example of the industrial relation system were you know we have the collective group that is the trade union.

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Trade union get influenced by the perception of individual members, the employers perception and the govt. perception. For example, the wage policy.... Thus, the multiplicity of objectives make their attainment more complicated

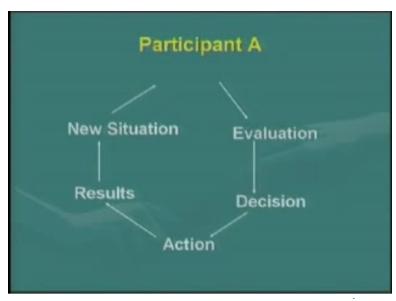
I hope all of you know that every industry is a trade union, well let us talk about India, most of the industries in India large industries I am talking about, there are trade unions, workers union, trade unions which are recognized by the management, and often if related to some other political party, often that may be the case, but some it is not necessary, sometimes they do, every industry has one trade union perhaps that recognized.

But some industries might also have more than one trade union, and may or may not be recognized, so when we are looking at the whole idea of industrial relations system, whenever we talking about the collective bargaining to trade unions we are doing, the collective bargaining which is an essential aspects you know of the industrial relation system, so the trade gets the influenced by the perception of individual members.

Each one of you will have you own expectations you own aspirations on own thinking okay, and you become the participant in that collective process, and so the employers, and the employees perceptions and the government perceptions, these also come in a form different sides okay, effecting the whole process of industrial relations, thus the multiplicity of objectives that makes okay, and you become the participant in that collective process.

And so the employers, and the employee's perceptions and the government perceptions, these also come in a form different sides okay, affecting the whole process of industrial relations, thus the multiplicity of objectives that makes attainment of the objectives you know more complicated, because each person has his or her expectation, then government has its own expectation, then trade union on the whole has a collective body also has in a certain expectations we can say.

And so the process becomes very complicated, industrial relations when we are talking about, this whole process become quiet complicated, so when we move on to understand this process. (Refer Slide Time: 23:25)



Then we see the theory in this module we can see that there are different participants and each participants here the module is talking about say participant A, so the participant A is starts A evaluating okay and then decides and then there is an action, and then there is a result okay and then there is a new situation that is coming up, so evaluation decision action results and the new situation this cycle goes on and on for participant A.

Similarly participant B will have the same module, participant C will have the same module, and if you have some twenty participants, everyone will have you know this process is going on, so we can actually I am not extended the module here, but may be you could extend this module by drawing participant A, participant B, participant C like this okay, and then they in combination will determine the overall objective of the industrial relation system.

So you can see that the industrial relation system actually becomes extremely complex, when we are trying to analyze that as a model, so from here so his is the model presented by some of the authors in the area of industrial relation system, so this actually also effects the overall functioning of an organization, and it is effected by the environmental factors that we have listed earlier in this lecture.

So you can see that if there is a certain kind of a value in the minds of people, then their evaluation and decision and action will get effected and in term the industrial relation system will get affected, similarly if you have say if the market for example job market is very good, then a different type of a industrial relation system will merge, if there is lot of competition and the job market is not that you know, we can say bright, then a different kind of a industrial relation system will occur.

Similarly if there is a technology for example if a countries highly working on highly sufficicate technologies, then the industrial relation system will be different, than the country or the organization that is working with the little lower level or lower degree of technology, then again the industrial relation system will be different, let us take an example if you have a company software company.

Where you will not find in a people in a without I mean without any education, anything of that kind, so the kind of a and there is a team management there the industrial relation system in that

particular organization, will be different, but if you look at say this civil engineering form, where you can also have the semi skilled, semi skilled very common also skilled but quiet lower level also in terms of a their schooling, their education.

They just know this skill and their doing lot of valuable manual work for us, yet the industrial relation system there will get effected because of some of these characteristics okay, so are you getting that the industrial relation system actually is rather complex, because each person matters, each perhaps group and team matters and then each department and then the whole overall organization, that matters.

So the trade unions are there most of the organization, but sometimes some industries, very small industry may not have trade union in that since it is not a formal trade union, yet there are workers that could be an in formal way of meeting and in formal way of their voices, may also be possible, so in a very small tiny forms I am talking about in those terms, we cannot have the industrial relation system.

Which may be rather informal, but these characteristic are prevailing in those also, whether we are talking about a tiny small unit, or we are talking about big size organization or we are talking about a large cooperation or multinational organization, every where the industrial relation system is there, but it differs because of some of these characteristics, so when we are talking about this whole analysis.

The situation becomes very important, what is the situation and how do you actually analyze the situation, and one analysis is then finally moves on to the new situation from begins with the existing situation and then finally it may give rise to a new situation, so here the aspect that we have to understand is the multiplicity of the objective of the objectors.

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And the interest of the participants, so the objectives in the minds of people in the organization or in their collective system may be different, so the individual object may sometimes be different than the trade union objectives, and the organizational objectives and because of the multiple and each individual also might have in a different objectives, so the multiplicity of

objectives that might become a factor in the analyzes of situation, and then the whole process that we are talking about.

So every industrial relation system contains a number of inherent weaknesses as well, so far we were talking about the most of the aspects which are very positive, but this system is not away from its weakness to and so some of these weaknesses might result from the conflicting interest of the participants, because there are so many people in the organization it is not necessary that everyone agrees to set in the same idea.

Or they have the same way of analyzing the situation, and so industrial relation systems weaknesses. One of the weaknesses that we can say is the conflicting interest of the participants.

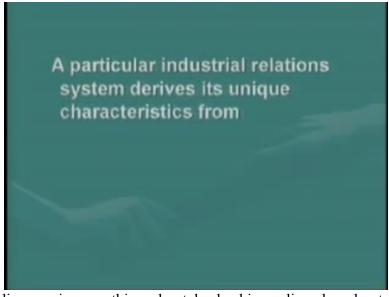
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Determinants of cooperation and cohesiveness
The situation
The power structure
The legal framework
The prevailing value system

So this conflicting interest of the participants actually affects that we can say the cooperation among these participation, so there are they could be quite a few determinants of this process of cooperation, and some of these we are discussing here. A some of these process of co operation and some of these we discussing here so the 1st issues that we have taking up the cohesiveness then we have taking the situation the we have discussing the power structure then we have discussing the legal frame work.

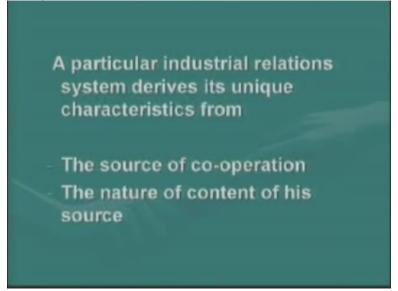
In fact as part of the our environmental analysis we have taken up some of these the prevailing values system all these individually all in combination will determine the industrial relations system so when we are looking at the situation or the prevailing system of, of hierarchy or any other aspects we have to understand that the industrial relations system has to be understood you know within the parameter of some of these aspects.

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In fact we have discuses in something about leadership earlier also about the organizational commitment of employees in some of earlier lectures so when we are trying to analyze the industrial relation system then aspect of the when we set powers structure and that will also in set of a relate us to the kind of daily day shift style that organization might have the work climate that the that the , the organizational will have so we will also talking about empowering leaderships style were we can empower people in at the lower level in hierarchy so many of those concepts the we have discuss earlier actually explain the industrial relations system on any organizations also India of course.

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So a particular industrial relations system the relations system derives its unique characteristics from number of sources so the sources of co operation we can say the nature of content of this source.

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Functional Requirements of sound IR programme i) Top management support ii) Sound personal policies iii) Adequate practices iv) Detailed supervisory training v) Fellow up of results

And, and some of these sources could be found could be seen industrial relation system and for this some of this sources could come enough from the, the legal structure the organizational could be found the workers motivation in the organization and number of other factors in addition to this we have certain functional requirements of sound industrial program where we are talking about issues like the top management.

Support because when industrial relation system is, is in fact it is prevailing a most of the organizations as we discussed hen top management cannot close it is eyes you know that okay let there be an industrial relation system and we have nothing to do about it know top management has to be equal involve in the whole process to make a very healthy industrial relations system with all the prevailing code social value and the code of conduct and so on so the top management.

Support becomes extremely important this process then sound personal policies that is important the adequate practices are important then the supervisory training hat is important and fellow up of these results the feedback as all of us understand in any process any situation whatever we have done you must have a feedback often that only that we can , we can perhaps we know a head also the felloe up of the results in terms of feedback so finally we have looking at the industrial relation system.

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Finally, even if all those conditions are not this may not suffice. There are still a number of factors essential for development of Participative management as an industrial relations model.

Even this conditions are not this way or do not suffers okay we still have an industrial relational system so there as still number of you know we can see factors which as essential for the development of participative management as an industrial relations model so participative management is a psychology of management and also this is an industrial management about which we have going to discuses in great details in his whole process we when we analyses we find that some of the earlier concepts that we have discussed in this course say for example communication.

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There are channels of communication an equal feeling of responsibility on the part of the participants, well defined, reward and punishment strategies common and mutually agreed upon objectives

Responsibility and so on this become very important so there are channels of communication and equal feeling of the responsibility on the part of the participants, well defined and there have to be also well defined we can say reward in punishment strategies the common we actually every feed up on objectives when we are trying to look at the objectives of an organization we have to involve people in decision making.

So that at least were people are there of the objectives which are well defined and perhaps mutually agreed a form about the organizations so if we are involving the employees at the lowest level well provided certain conditions are met we do not have to involve them in a without those condition they have to be trained they have to be educated they have to be aware about certain situations.

They have to responsible they must have certain values they talked about many of these things in the earlier part of the of this today's lecture so we have to involve them provided they are ready to get involved and the management or the organization that have decision makers that have to see that they are made ready to get involved in decision making so these are some of the pre conditions for involving.

People is not that we know we can just go an arm stand and a shut outing okay the everyone is equally responsible in any organizations in the still relation system some much more complex and then thing done in a fro what ever thought you, know earlier so, so it is a thing of greatest responsibility on the part of both management as well as those in the lower level in the hierarchy (Refer Slide Time: 40:01)

There are channels of communication an equal feeling of responsibility on the part of the participants, well defined, reward and punishment strategies common and mutually agreed upon objectives

So there have to be very clear cut channels of communication we have seen I our discussion and communications that communications could be of many types and, and we can, we can give in a all channel communication of the organizational climate is such then the equal feeling of responsibility on the part of the participants of well defined reward punishment strategies as we have discussed just short while ago so this these some of this factors become is an important that is we have perhaps.

You know repeated some of those because very active so keep in mind that communication reward and punishment these are some of the aspects as very important so this gives as in some idea about what an industrial relation system is all about and further in our discussion and participative management we will have I our discussion and in-depth analysis of what participative management? Is all about and so on but before we finished today lecture. (Refer Slide Time: 41:15)

MAINTENANCE OF INDUSTRIAL PEACE

(i) Legislative and administrative enactment- like that of the Trade Unions Act, the Disputes Act, Industrial Employment (Standing Industrial Orders) Act;

Let us ,move on to the aspects of maintained of industrial peace this is a machinery for prevention and settlement of industrial disputes in the form of many types of issues like legislative and administrative encashment like the trade union acts in the disputes act industrial employment etc there are number of acts which government has in act in time to time and some of this names have there in a also when we are discussion participative ,management we will be referring to some of those act that we have in our country relate to the industrial relations system then these have you know other acts like standing industrial orders and so on there are number of other acts.

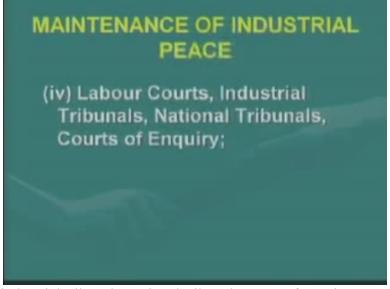
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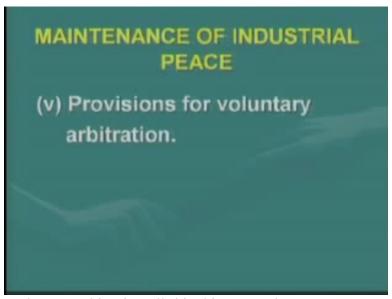
To move on to in the area f maintenance of industrial peace we have to understand that works committees and joint management course are develop these are the bodies which will again in discuses in the participative management section but these are the bodies which again come as the part of the government guidelines the labor department guidelines that. (Refer Slide Time: 42:43)

MAINTENANCE OF INDUSTRIAL PEACE (iii) Conciliation Officer and Board of Conciliation;

We should have the joint ,management council and works council and the short for then the conciliation officer and board of conciliation again is very important because sometimes you know the , the need may arrives that we want you know the help of a consignation officer. (Refer Slide Time: 43:11)



Then labor courts industrial tribunals, national tribunals, court of enquiry etc. (Refer Slide Time: 43:21)



The provisions for voluntary arbitration all this things so when we move on to the issue of the industrial peace and industrial and the disputes we have to understand that industry understanding the concepts of industrial relations that becomes extremely important so in this lecture in today is lecture we have try to understand why industrial relations is important what makes industrial relations important.

And then do we move on to the were we move on from here so when we talk about industrial relations as has said we are going to discuss the participative management inlet me more details in out lectures that which have following but then in the industrial relations lecture we have try to put industrial relations and conflict management as , as the one caption so we move on to the issue of conflict management from here because whenever the, the idea of industrial relations of course this is very much related to the conflicts that we might have you know with very goods in the organization.

And so conflict management and understanding the dynamics perhaps you know the factors which influence the conflict management that becomes extremely important so in the next lecture that fallows we will be talking about various types of conflicts vary resources in a which might we give raised to conflict and then how to resolve some f this strategies for conflict management in organizations and then after that we can continue with our discussion on participative management.

So at the end of this lecture or any questions or there any questions? Have you visited any industry? have you ever talk to any lower level employee in terms of the type of industrial relations scenario that they might they have know Indian organizations maybe if have not whenever you get in opportunity visit an industry in addition to looking at the , the machinery and the infrastructure the other.

You know issues the financial aspects we should not forget to look at this human aspect also which relates to any industrial relational system in an industrial you will find very interesting aspects and many of times you know people believe that this is, this is only a machinery for

conflict management but it is not necessary and industrial relation might in lead to better for that activity better industrial climate.

Better see the success of the organization and here I am remind of one case study I was given by one of the public sector organizations were they used to have a strikes perhaps every year and then they had labor union recognized and every years there was at lost like routine thing they were preparing the fort his strike particularly when the time comes from the bonus and a any collective issues and management decided.

That the labor union leader should be sent to Japan for seeing their industries and seeing that what type of industrial relation system you know happens are what happens? What occurs you know then those activities so the fade in a fro his all certify expenses and he visits the some of the japans industries as you know in fact we are going to discuses that in participative management in great details.

The quality movement in the quality circles of the Japanese industries and once he visited never industries is there then he realize here is responsibilities of trade union then he has a union perhaps the head of the union once he return from there then he was so much can wish we have discussing that with other members and I was told that ever since the industry hide any strikes is in that very good case study.

So you should also try to find out know the case studies which when relate to the industrial relation system because that is an extremely important aspect of managing in an organization so will close here today and then in our next lecture we have going to talk about the, the industrial relational system in terms of the conflict management system.

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