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# **INDUSTRIAL RELATIONS & LABOUR LEGISLATIONS**

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# MEANING & CONCEPT

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- ✦ The term ‘Industrial Relations’ comprises of two terms:

## ‘Industry’ and ‘Relations’

- ✦ “Industry” refers to “any productive activity in which an individual (or a group of individuals) is (are) engaged”.
- ✦ By “relations” we mean “the relationships that exist within the industry between the employer and his workmen.”



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# MEANING & CONCEPT

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# **INDUSTRIAL RELATIONS - CONCEPT, SCOPE & OBJECTIVES**



## **MEANING:-**

**The concept of industrial relations means the relationship between employees & management. When taken in wider perspective:-**

**Industrial Relations is a set of functional interdependence involving historical, economic, social, psychological, demographic, technological, occupational, political & legal variables**

# According to Dale Yoder:-

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**“Industrial Relations is a whole field of relationship that exists because of the necessary collaboration of men & women in the employment process of an industry.**

# **According to International Labour Organisation**



**“Industrial Relations deal with either the relationship between the state and the employers and workers organisations or the relation between occupational organisations themselves.”**

**Further, the concept of Industrial relations has been extended to denote the relations of the state with employers, workers & their organisations**



# CHARACTERISTICS

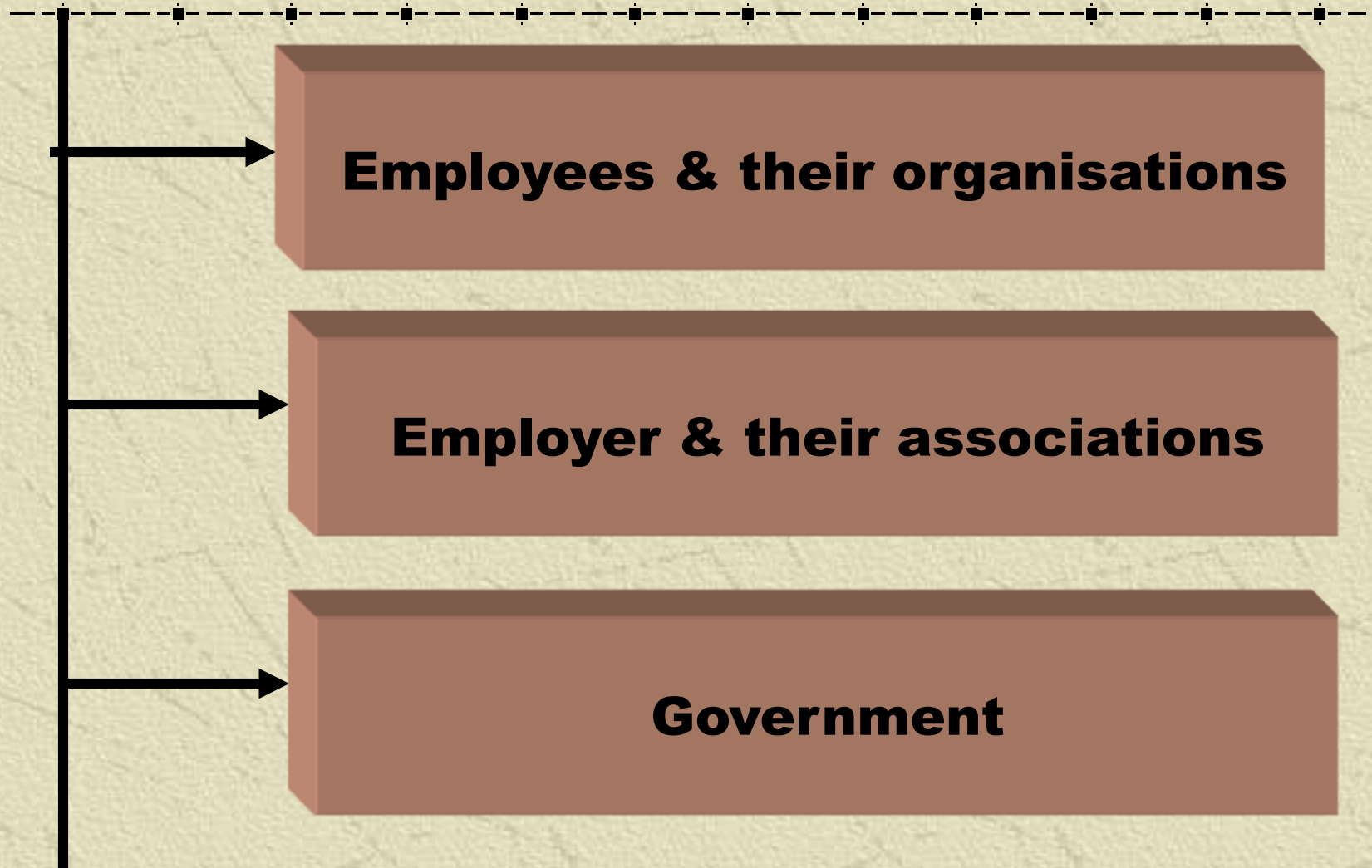
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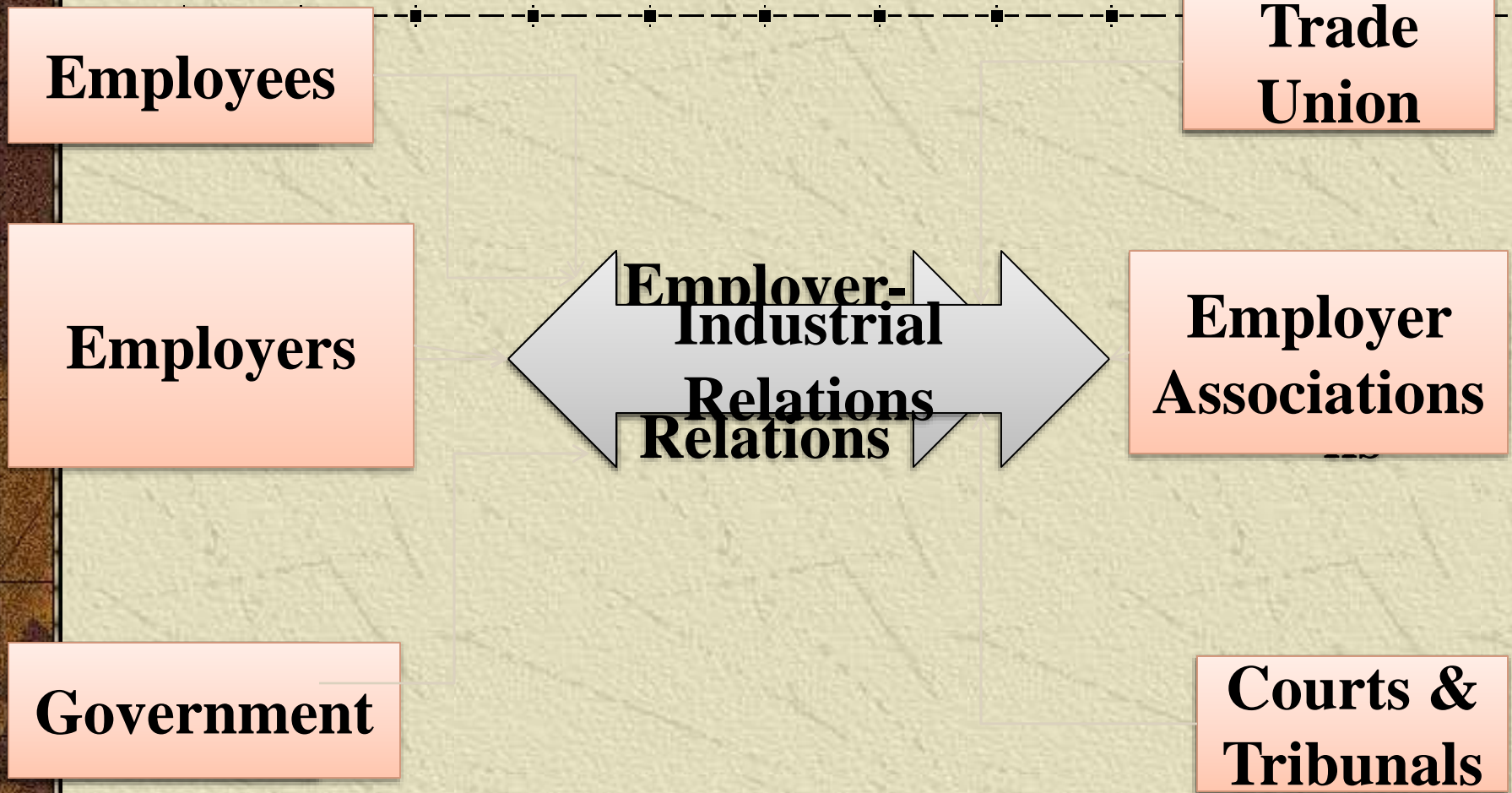
- **Industrial relations are outcome of employment relationship in an industrial enterprise.**
- **Industrial relations develop the skills & methods of adjusting to & co-operating with each other.**
- **Industrial relations system create complex rules and regulations to maintain harmonious relations.**
- **The Govt. involves to shape the industrial relations through leave, rules, agreements, awards etc.**



# **ACTORS OF INDUSTRIAL RELATIONS**



# Parties to IR



# OBJECTIVES OF INDUSTRIAL RELATIONS



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***Primary Objective:- To maintain congenial relations between employees & employer***

- ✓ To promote & develop congenial labour-management relations
- ✓ To enhance the economic status of the worker by improving wages, benefits & by helping the worker in evolving sound budget
- ✓ To regulate the production by minimising industrial conflicts through state control



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- ✓ To socialise industries by making the government as an employer
  - ✓ To provide an opportunity to the workers to have a say in the management & decision-making
  - ✓ To improve worker's strength with a view to solve their problems through mutual negotiations & consultation with the management
  - ✓ To encourage & develop trade unions in order to improve the worker's strength

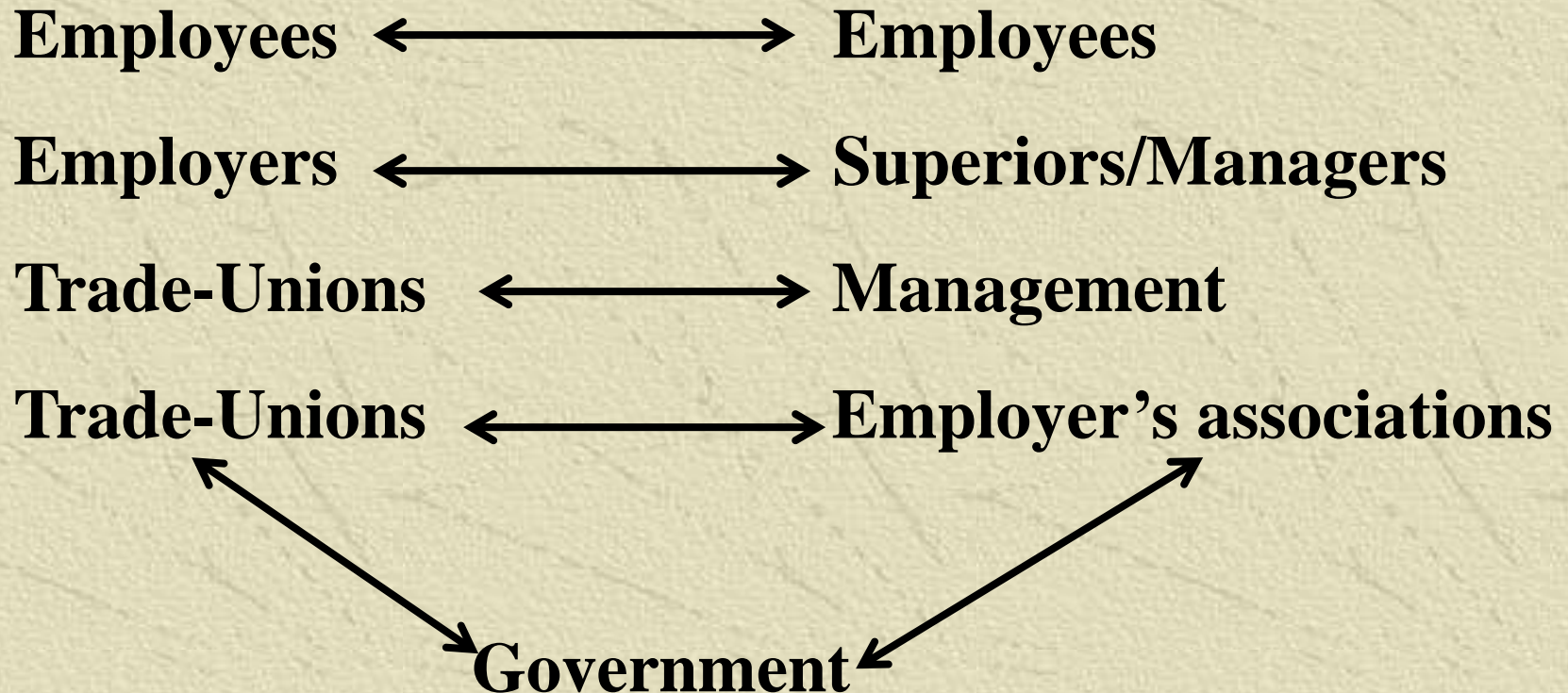
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- ✓ To avoid industrial conflict & their consequences
  - ✓ To extend & maintain industrial democracy



# SCOPE OF INDUSTRIAL RELATIONS



## RELATIONSHIPS:-





# PRINCIPLES OF SOUND INDUSTRIAL RELATIONS



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- ✓ Recognition of the dignity of the individual & of his right to personal freedom & equality of opportunity
  - ✓ Mutual respect, confidence, understanding, goodwill & acceptance of responsibility on the part of both employer, management & workers & their representatives in the exercises of the rights & duties in the operation of the industry
  - ✓ Understanding between the various organisations of employers & employees who represent the management & workers

# ROLE OF THREE ACTORS TO IR

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## Role of Employee:

- ✦ To redress the bargaining advantage on one-on-one basis
- ✦ To secure better terms and conditions for their members
- ✦ To obtain improved status for the worker in his/her work
- ✦ To increase implementation of democratic way of decision making at various levels



# Role of Employers

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- ✦ Creating and sustaining employee motivation
- ✦ Ensuring commitment from employees
- ✦ Negotiating terms and conditions of employment with TU leaders
- ✦ Sharing decision making with employees



# Role of State:




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- ✧ Labor policies
  - ✧ Labor laws
  - ✧ Industrial tribunals
  - ✧ Wage boards
  - ✧ Industrial relations policy

# Conditions for Congenial Industrial Relations

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- ★ Existence of strong, well organised & democratic employees unions
- ★ Existence of sound & organised employers unions
- ★ Spirit of collective bargaining & willingness to resort to voluntary organisation





## **Maintenance of Industrial Peace:-**

- **Machinery for prevention & settlement of industrial disputes**
- **Government Intervention**
- **Code of conduct, discipline etc.**
- **Collective Bargaining Agreement**





**The scope of Industrial relations is very wide. It includes the establishment & maintenance of good personnel relations in the industry, ensuring manpower development, establishing closer contact between persons connected with the industry & that between the management & the workers**

## Further, it includes:-

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- ✓ Creating a sense of belongingness in the minds of management
  - ✓ Creating a mutual affection, responsibility and regard for each other
  - ✓ Stimulating production as well as industrial & economic development
  - ✓ Establishing a good industrial climate & peace
  - ✓ Maximising social welfare



# IMPORTANCE

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- ✧ **Uninterrupted production**
- ✧ **Reduction in Industrial Disputes**
- ✧ **High morale**
- ✧ **Mental Revolution**
- ✧ **Reduced Wastage**
- ✧ **Foster Industrial Peace**
- ✧ **Promote Industrial Democracy**

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- ✧ **The term industrial relations explains the relationship between employees and management which stem directly or indirectly from union-employer relationship.**
  - ✧ **Industrial relations are the relationships between employees and employers within the organizational settings.**
  - ✧ **The relationships which arise at and out of the workplace generally include the relationships between individual workers, the relationships between workers and their employer, the relationships between employers, the relationships employers and workers have with the organizations formed to promote their respective interests, and the relations between those organizations, at all levels**
  - ✧ **The term industrial relations has a broad as well as a narrow outlook. Originally, industrial relations was broadly defined to include the relationships and interactions between employers and employees**





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- ✧ Inadequate welfare facilities.
  - ✧ Dispute on sharing the gains of productivity.
  - ✧ Retrenchment, dismissal and lockouts by the management.
  - ✧ Strikes by the workers.
  - ✧ Inter-union rivals.
  - ✧ General economic and political environment such as rising prices, strikes by others and general indiscipline having their effect on the employees attitudes.
  - ✧ Mental inertia on the part of the management.



# DEVELOPING SOUND IR

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- ✧ Developing trust between Labor & Management
- ✧ Maintenance of Industrial Peace
- ✧ Continuous feedback & monitoring
- ✧ Professional approach
- ✧ Existence of sound, democratic TU

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THANK YOU

QUESTIONS?