

CHAPTER NO.- 1

1.1 INTRODUCTION :-

Modern Industrialism has a characteristic feature of mixed blessings. It has created a yawning gulf between the management and the labour because of absence of the workers ownership in the means of production. Power is concentrated in the hands of a few enterpreneurs while the majority has been regarded to the insignificant position of mere wage-earners. The workers have come to realise that the most of their demands can be satisfied if they decided to unite. On the other hand, the employers are too aware of the fact that they can refuse these demands. This denial or the refusal by the employers led the workers towards dissatisfaction, towards the distress and even led them towards the violent activities. These violent activities of the workers hinder the production and harm both the workers and the employers.

Interests of a handful of management and the interests of a large group of workers are different. The profit maximisation is a prime aim of the management. For this they demand changes in the types of goods produced, installation of new machineries, adoption of latest methods of production, involve loss of hard-earned skills,

transfers, retrenchment and compulsory retirement of the workers. On the other hand, the workers expect and demand stability in their income, security of employment, protection of skills and improvement in their status.

Profit maximisation may also require authoritarian administration of the enterprise, closer supervision of the workers, maintenance of strict disciplines and complete obedience of the rules of the enterprise. On the contrary workers may demand a share in the management of the enterprise, a voice in the formulation of the standing orders, and the scope for the self expression and respect for the dignity of their individuality. Hence it is not only the sharing of fruits of industry that generate conflicts but the very fact of the existence the wide cleft of authority between 'Hands that produce' and 'Hands that control the means of production' has become a major source of conflicts between management and the labour.

There is hardly any establishment, where the employees do not have some sort of unrest and dispute about one or the other. It is the common knowledge that unrest and dispute of the employees produce unhappiness, frustration, discontent, indifference and poor moral for the organisation. Ultimately it has been an adverse effect on the efficiency and productivity of an employee, further,

this unrest and disputes affect seriously the interest of the organisation as a whole.

The manpower resource is the most important factor in any organisation. Survival and prosperity is dependend on the manpower of that organisation. Though all the organisations may buy the same materials and machines, they can aply the same capital and buildings but the workers in the firm make the difference in the final product.

A leading industrialist of America has remarked about the true value of the manpower for any industry. He says, "We do not manufacture automobiles, aeroplanes, refrigerators, radio sets, Television sets, but we manufacture men and they in turn manufacture the goods'¹".

This statement reveals that manpower is a very important factor for any organisation. Whatever may it produce, it should have a very satisfied and honourable work force.

But even though the manpower is very important factor in the industrial world it is not so easy to make all the employees satisfied in all the respect. This is because the workers have a very different sarroundings at their residence, diffence in education, different family backgrounds and their personal perception makes them

different from their colleagues. Management can not fulfil all the requirements of all its workers and can not make them satisfied in all the aspects. It is therefore, natural that the workers have grievances against their management or immediate supervisors or the systems of practices which are followed in the organisation.

Unrest and disputes are natural factors in any industrial unit. But they should be removed as early as possible when they arise in because they create very serious problems for any organisation and the society as a whole. The management should consider this matter very seriously and should have proper machinery to settle down the disputes and the unrests among the employees.

Capital, land and the manpower are the means of production. But the capital and the land are such factors which are shortused. They come to an end on their frequent use. But among these means, 'labour' is a factor of production which can never be ended on it's use. Instead of its frequent use, the ability, aptitude, skill of the labour is increased.

The researcher is well known about the importance and the necessity of the labour for any organisation. During the research period, the researcher also realised the

utmost requirements of the workers. If these economic as well as Psychological requirements are fulfilled, they devote themselves for the organisation in which they work. So the researcher decided to study about the requirements which led them towards the dissatisfaction and make them to fight against the management. for this the researcher has selected this subject for research.

One more reason which encouraged the researcher to study about the dispute and unrest of the employee is that before 4/5 years many cotton textile units in Mumbai, were declared as 'sick industrial units' and so the researcher strongly believed that there was lack of proper communication between the management and the workers so the researcher decided to study the 'communication difference of the unit. The researcher also decided to study the actual reasons that led the workers to go against the management.

The last reason which encouraged the researcher to study about the unrest of the employees is that as a student of commerce faculty, it is very important to get proper information about the nature and psychology of the workers who are the 'main pulse' of the Indian industries. The researcher is fully confident that the researcher would get more information by the selected subject.

Ref.:¹ Personnel Management and Industrial Relations,
Davar R.S.

HISTORICAL BACKGROUND OF THE SUBJECT :-

With a view to get a better understanding of the present industrial scene in India, it is desirable to study a historical picture of industrial unrest in India.

Industrial activities on modern lines started in India by the middle of the 19th century when the cotton mills were started in Mumbai and Calcutta. The relations of employees with their employers were essentially of 'Master and servant' type. Problems of labour employer relations might have began with the beginning of the modern industrial activity, but there were few cases of labour protests. According to the 'Royal commission' on labour, 'Before 1918, strikes were rare', This does not mean that the workers had no grudge or complaints against their employers or they were quiet; But since practically the entire labour class was illiterate, ignorant of their rights and suffered from class - consciousness for their being unorganised nature. The grievances or complaints could not be fully expressed, and hence there were no signs of industrial unrest as such. The discussion of employee unrest in India can be carried out in the following order.

1. The period of early Thirties
2. Period covering 1930-1939.
3. Second world war period, 1939-1946.

- 4 Period after independence, 1947-1974.
5. Emergency and after, 1975-1981.

Table - 1.1

1. (The Period of Early - Thirties)

Years	No. of stoppages	No. of Workers involved (in 000)	Loss in Lakhs Rs.(Lakhs)
1921	396	600.3	69.8
1922	278	435.4	39.7
1923	213	301.0	50.5
1924	133	312.4	87.3
1925	134	270.4	125.8
1926	128	186.8	10.9
1927	129	131.6	10.2
1928	203	506.8	316.5
1929	141	531.0	121.6

Strikes in the early thirties were mainly due to the demands of a share in the prosperity of the industry during the early boom period. Politician and labour leaders took keen interest in the organisation of these disputes.

2. Period Covering 1930-1939 :

Table no.1.2 (1930-1939)

Years	No. of Stoppages	No. of workers involved (in 000)	Loss in Lakhs. (Rs. in lakhs)
1930	148	196.3	22.6
1931	166	203.0	24.1
1932	118	128.0	19.2
1933	146	164.9	21.7
1934	156	220.8	47.7
1935	145	114.2	9.7
1936	157	169.0	23.6
1937	379	647.8	89.6
1938	399	401.0	91.6
1939	406	409.1	49.9

Between 1930 and 1936, the number of strikes remained fairly steady in the neighbourhood of 150 a years & the loss of working days ranged between 2 & 2½ million; 1934 however was an exceptional year. The number of working days lost being nearly 5 millions.

On account of trade union leadership and the appointment of the Royal commission on labour rigorous repression by the executives which made no distinction between the political and the labour moment and the deepening of the 'economic cries' there was pronounced decline in labour dispute during the next five years as shown in table 1.2.

Table no. 1.3

3. The Period After Independence (Period between 1940-1947)

Years	No. of stoppages	No. of workers involved (in 000)	Loss in Lakhs. (Rs.)
1940	322	4,52,539	75.7
1941	359	2,91,054	33.3
1942	694	7,72,653	57.7
1943	716	5,25,088	23.4
1944	658	5,50,015	34.4
1945	820	7,97,530	40.5
1946	1.629	19,61,946	127.1
1947	1.811	18,40,748	165.6

With the commencement of world war II prices began

to soar high and the cost of living of the workers went on rising. This created restlessness and demand for dearness allowances emerged all over the country. In 1939

Table 1.4

Emergency and After, 1975-1981.

Year	No. of Disputes	Workers Involved	Loss (in lakhs Rs.)
1974	2,938	27,09,834	40,2,62,000
1975	1,943	10,32,609	21,9,01,000
1976	1,459	5,50,477	12,7,46,000
1977	3,117	21,93,215	25,3,20,072
1978	3,187	19,15,603	28,3,40,199
1979	3,048	28,73,000	43,8,54,000
1980	2,191	11,35,000	12,9,11,000

The period of Emergency was marked by a declining trend of industrial conflict in terms of number of disputes, workers involved and mandays lost. It appears that during Emergency the incidence of industrial conflict was reasonably arrested. But the industrial relations climate was not smooth and trouble free. Although the workers had refrained from resorting to work-stoppages the

employers did not hesitate to declare lock-out. More mandays were lost due to locks out than strikes.

There were 406 stoppage affecting more than 4 lakh persons and the loss of nearly five millions mandays in 1940 dispatas were only 322 but lost were to the tone of 7.6 millions. Disputes in 1943, 231 occured in cotton, silk and wollen mills.

Data From Dynamics of (Industrial) Relations in India.

By - C.B. Mamoria.

Page 272, 273, 274, 275.

PERIOD AFTER INDEPENDENCE 1947-1974

Industrial unrest was at its peak in 1947, when 16.5 millions mandays were lost in 1,811 disputes. The main causes for this labour unrest were.

1. The over-whelming feeling of 'independence' in the minds of workers as a result to the transfer of power to the national govt.
2. The tall promises made by the Indian National congress prior to the general elections in 1945, to bring about radical changes in the workers' wages and conditions of work.
3. The continual rise in the cost of living even after end of the war, for wages lagged far behind the rising prices.
4. The growing communistic influence over the workers.
5. The fear of retrenchment and consequent unemployment in the post war period.
6. Misdirected labour leadership and,
7. Employers apathy to and the states dilatoriness in dealing with labour problems.

The situation however improved gradually during the next few years, following the various measures taken by the government. The year 1949 was however a year of labour

unrest in railways, in posts and Telegraphs. In 1950 the number of unrest was much less (only 814) but the number of workers involved was 7 lakhs and mandays lost were 12-8 millions.

During this period, the cotton textile industry suffered the most while considerable deterioration took place in the jute and transport industries. Between 1954 and 1957, the number of stoppages increased from 840 to 1,630. The workers involved from 4,77,138 to 8,99,317 and mandays lost were 6,4,29,319.

The code of discipline was involved in 1958. Therefore, during 1958-1960 the number of strikes declined. But the number of mandays lost increased from 4,9,18,755 in 1961 to 6,120,576 in 1962. True peace Revolution was adopted which led to a decline in number of stoppages to 1,471 and the mandays lost to 3,268,524 in 1963. But soon the Revolution lost its effectiveness, so that in 1964 No. of stoppages increased to 2,151. In 1965 the number of disputes were 1,835 and the number of mandays lost was 64.6 lakhs. This slight fall in the number of disputes and the number of mandays lost was due to the emergency arising out of Pakistan aggression. From 1965 to 1969 the increase in the number of dispute had been mainly due to sharp rise

in prices and recession, in some industries which led to retrenchment, lay-off and closure. In the later year, the industrial relations climate further deteriorated when the workers resorted to 'Gheraoes' and 'Bandhs'. The number of industrial disputes rose from 2,889 in 1970 involving 2.76 lakhs workers to 3,370 disputes in 1973 involving 23.58 lakhs workers. In 1974, though there were 2,938 disputes, which involved 27.09 lakhs workers and loss of mandays 40.26 lakhs.

5) Emergency And After 1975-1988 :-

The period of the emergency (1975-1988) was marked by declining trend in industrial conflicts in terms of the number of disputes. The number of workers involved and the number of mandays lost. It appears that during the emergency the drift towards increasing industrial conflicts has been arrested and the process reversed. But the industrial climate was not smooth or trouble free. Result of which mandays were lost because of lockouts rather than strikes.

In the post emergency period, West Bengal and Maharashtra have been worst hit. Workers were suffered in the emergency period. Workers discontent piled up during the emergency period as a result of the rejection of their routine grievances and the virtual suspension of trade union activities.

With the exception of 1980, the period from 1979 to 1984 showed an increasing trend in the loss of mandays. On January 1982, the longest strike in the textile industry in India and the world was by Dr. Datta Samant (a militant trade union leader) More than 2.5 workers of 60 textile mills in Mumbai were involved in the strike, which resulted in a wage loss of Rs.300/- crores to the workers and 200 crores loss to the mills and cloth production worth about Rs.2,000 crores was badly hit. Since then there has been an increasing trend the number being highest in 1984, (39.40 millions) mandays. However number declined to 11.84 million mandays in 1985, It was 4.02 million in 1987 and 12-53 millions in 1988.

MANDAYS LOST IN INDIA AND FOUR IMPORTANT STATES

Year	Total no. of Mandays Lost	States	No. of Mandays Lost (individually) RS. in (000)
1961	4.9 Million	Gujarath	52
		Maharashtra	980
		Tamilnadu	175
		W-Bengal	2,143
1966	13.8 Million	Gujarath	138
		Maharashtra	3,693
		Tamilnadu	678
		W - Bengal	678
1969	16.6 Million	Gujarath	1.3
		Maharashtra	1.3
		Tamilnadu	602
		W - Bengal	10
1971	16.5 Million	Gujarath	143
		Maharashtra	2,178
		Tamilnadu	1,903
		Bengal (W)	4,445
1974	42.2 Million	Gujarath	944
		Maharashtra	10,488
		Tamilnadu	3,186
		W-bengal	13,126

1975	21.9 Million	Gujarath	191
		Maharashtra	1,399
		Tamilnadu	292
		W-Bengal	1,851
1976	12.7 Million	Gujarath	43
		Maharashtra	564
		Tamilnadu	1,076
		W - Bengal	5,067
1979	43.853 Million	Gujarath	544
		Maharashtra	2,977
		Tamilnadu	8,405
		W-Bengal	18,076
1980	21.925 Million	Gujarath	1,046
		Maharashtra	3,515
		Tamilnadu	3,701
		W-Bengal	6,236
1981	36.58 Million	Gujarath	657
		Maharashtra	4,084
		Tamilnadu	4,158
		W - Bengal	9,639
1984	56.025 Million	Gujarath	1,143
		Maharashtra	7,491
		Tamilnadu	4,142
		W-Bengal	30,285

1985	29.24 Million	Gujarath	961
		Maharashtra	4,413
		Tamilnadu	3,599
		W-Bengal	11,393
1988	17.99	Gujarath	200
		Maharashtra	2,472
		Tamilnadu	1,289
		W-Bengal	10,296

Ref.:- Mamoria C.B. Mamoria S, Dynamics of Industrial Relations
In India. Page 283, 284.

1.2 OBJECTIVES OF THE STUDY :-

The proposed study is undertaken with the following objectives.

1. To find out the reasons of the employee unrest in the Kirloskar Electrodyne Ltd. Bhosari (Pune).
2. To study the labour-management relationship in the company.
3. To study the position of worker's union in the company.
4. To Study existing machinery for prevention and settlement of unrest, in Kirloskar Electrodyne Ltd.
5. To suggest remedies to minimise the unrest and grievances in the company, if any.

1.3 SCOPE AND LIMITATIONS OF THE STUDY :-

Personnel Management is a specialised branch of management that deals with people.

The Personnel management is that part of management process which is primarily concerned with the human constituents of an organisation.

The scope of the personnel management is very wide. It includes all the activities which help the management in getting work done by the labour force in the best possible manner to accomplish the main objectives of the organisation. Thus it considers all problems of the people at work. i.e. economic, social, Psychological and political. The science of personnel management covers the following functions.

1. Recruitment and maintenance of the labour-force.
2. Training to all persons - new as well as to the old one to meet the challenges of the new jobs or techniques.
3. Job analysis and job-description-just to hire the qualified personnels to the jobs.
4. Compensation i.e. determining the wayerates, wage methods and incentive plans.

1.4 METHODOLOGY OF THE STUDY :-

1.4.1 Data Collection :-

For the purpose of the study the researcher collected primary as well as secondary data. The primary data were collected through interviews and discussions with personnel officers, union leaders and a few workers including supervisors. For getting information from workers a questionnaire was prepared and administered over a sample size of 81 workers. For conducting interviews of personnel officers, union leader and supervisors a set of questions to be asked was prepared in advance and it was used at the time of interview.

For collection of secondary data, the standard books, journals, annual reports of the company and other relevant records of the company were tapped.

1.4.2 Sample Selection :-

The total number of employees working in the company is 301. Out of this 229 are workers and 72 are in managerial cadre. The classification of 229 workers as per nature of employment is shown in table 1.5.

Table - 1.5

Classification of workers according to nature of employment:

Sr No.	Name of Depts.	Number of workers.			Total
		Permanent	Temporary		
			Apprentise	Helpers	
1	Oil Purifying	50	05	02	57
2	Painting	40	03	04	47
3	Air Cleaning	50	04	02	56
	Equipment.				
4	Engineering works	57	07	05	69
	Total	197	19	13	229

Table - 1.6

Classification of workers as per skills.

Sr No.	Type of skill	Number of workers.
1	Unskilled	29
2	Semi-skilled	35
3	Skilled	95
4	Highly skilled	70
	Total	229

As the study is related to the employee unrest, the sample size of 81 workers spread over different categories have been selected for the purpose of study by using stratified random sampling method.

The researcher selected number of workers for the study, from each strata as per convenience of study and of the researcher. The worker who was available for the study has been included in the sample size, therefore the number of persons from each strata is different. Thus the sample of 81 workers has been selected as shown in table 1.7.

Table - 1.7

Selection of sample workers for the study

Sr. No.	Types of skill	No. of workers	Workers selected(sample)
1	Unskilled	29	13
2	Semi-skilled	35	22
3	Skilled	95	16
4	Highly skilled	70	30
	Total workers	229	81

1.5 METHOD OF ANALYSIS :-

The primary data and the secondary data collected by the researcher have been classified and tabulated. For the purpose of analysis of the classified and tabulated data, percentage, comparison with the existing practices have been utilised in order to arrive at some conclusion and if necessary to suggest some measures for improving the industrial relations in the Kirloskar Electrodyne Ltd.