Industrial Relations

MODULE 1- SESSION 1

Topics Covered

1.Definition

2.Parties to IR

3.Functions, Importance and Objectives

Definition

- Industrial relations is used to denote the collective relationships between management and the workers.
- According to Dale Yodder 'Industrial Relations describe the relationships between managements and employees or employees and their organizations, that characterize or grow out of employment.'
- Largely we are discussing the relationships that exist due to the nature of employment between:
  - Employees and their associations (Trade Unions)
  - Employers and their associations.
  - Government.

Parties to IR

There are roughly three parties to IR:

- **Employees & their Organization:-** The personal characteristics of workers, their culture, educational attainments, qualifications, skills, attitude towards work etc, play an important role in industrial relations. Workers' organizations, known as trade unions, are political institutions.

- **Employers & their Organizations:-** The employers are a very important variable in industrial relations & regulate their behavior for getting high productivity from them. Industrial unrest generally arises when the employers demands from workers are very high and they offer low economic & other benefits.

- **Government:-** The government exerts an important influence on industrial relations through such measures as providing employment, and regulating wages, bonus and working conditions, through various laws relating to labor.

Importance of IR

Uninterrupted production

Reduction in Industrial Disputes

High morale

Mental Revolution

Reduced Wastage

Objectives of IR

- To safeguard the interest of labor and management by securing the highest level of mutual understanding and good-will among all those sections in the industry which participate in the process of production.

- To avoid industrial conflict or strife and develop harmonious relations, which are an essential factor in the productivity of workers and the industrial progress of a country.

- To raise productivity to a higher level in an era of full employment by lessening the tendency to high turnover and frequency absenteeism.

- To establish and promote the growth of an industrial democracy based on labor partnership in the sharing of profits and of managerial decisions, so that ban individuals personality may grow its full stature for the benefit of the industry and of the country as well.

Objectives of IR

- To eliminate or minimize the number of strikes, lockouts and gheraos by providing reasonable wages, improved living and working conditions, said fringe benefits.
- To improve the economic conditions of workers in the existing state of industrial managements and political government.
- Socialization of industries by making the state itself a major employer
- Vesting of a proprietary interest of the workers in the industries in which they are employed.

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