

Industrial Relations approaches

Module 5_Session 2

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Content to be covered

- Approaches to IR
- Causes of Poor IR



Approaches to IR

- 1. Psychological Approach** – according to psychologists, the problems of industrial relations are attributable to the differences in the perceptions of labour and management. Both parties tend to look at factors influencing their relations – i.e. Wages, benefits, working conditions, etc. in different ways.
 - Dissatisfaction with pay, benefits, services, conditions of work compel workers to turn aggressive and resort to strikes, gheraos, etc.
 - Employers adopt rigid postures and draw the shutters down when they find the regulatory framework to be restrictive, workers to be highly demanding and market forces to be unmanageable.
 - Apart from economic issues, motives such as need to gain prestige, power, status, recognition also compel people to go in different directions, sacrificing the broader organizational interests.
- 2. Sociological Approach** – a number of sociological factors such as the value system, customs and traditions affect the relations between labour and management. Problems such as urban congestion, shortage of affordable dwelling units, convenient transportation system, pollution, etc, add misery to the lives of workers.

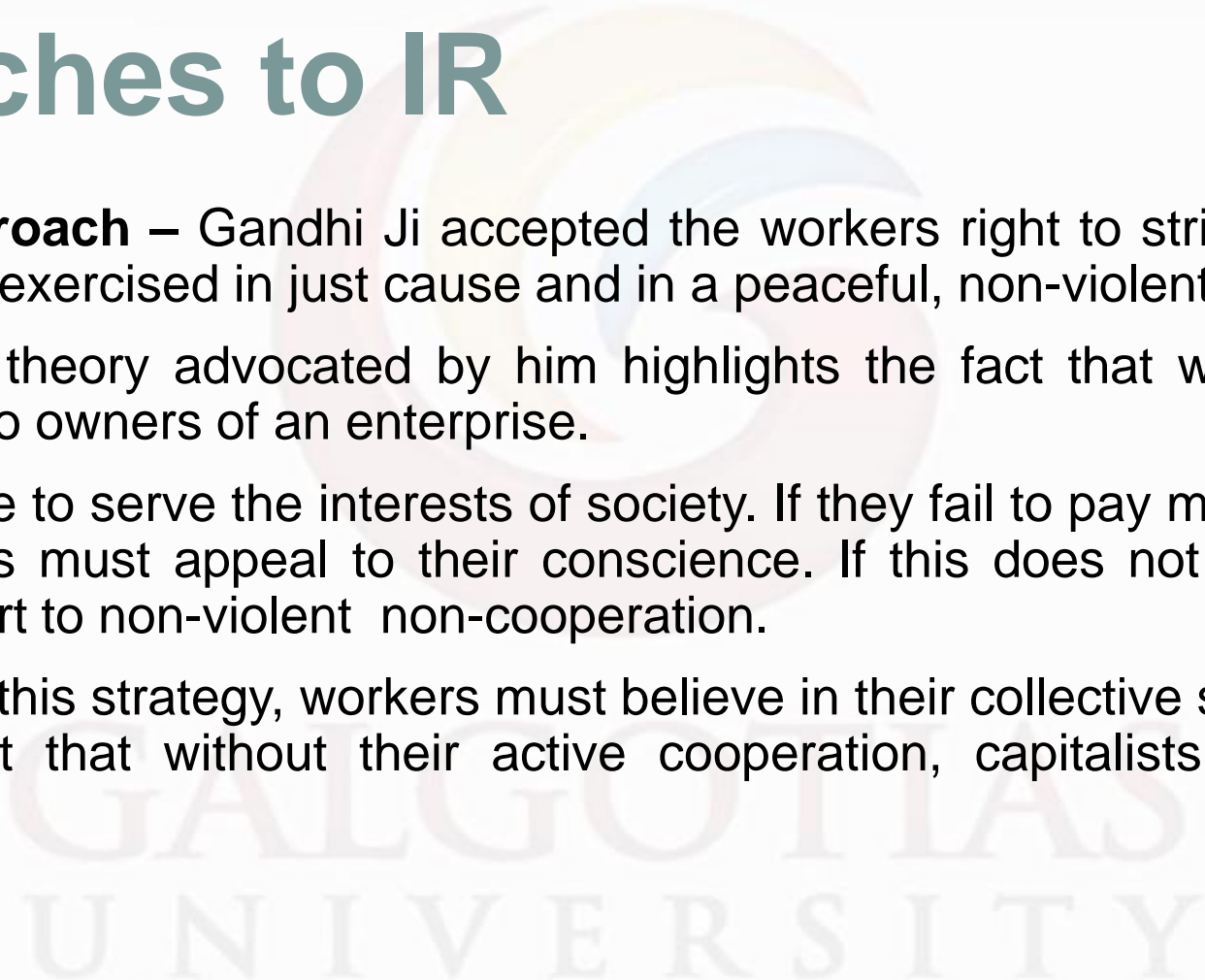
Approaches to IR

- Such sociological changes impact industrial life significantly, forcing parties to assess, analyse and find solutions to conflicting situations on a continuous basis.
- 3. Human Relations Approach** – according to human relations approach, individuals are motivated by a variety of social and psychological factors, not just earnings. Human behaviour is influenced by feelings, sentiments and attitudes.
- Informal work groups play an important role in shaping the attitudes and performance of individual workers.
 - To reduce friction and conflict in the workplace, managers need to possess effective social skills. They must explain why a particular job is important, allow workers to participate in work processes fully, encourage work groups to flourish and try their best to keep workers happy.
- 4. Giri Approach** – according to V.V. Giri(former President of India), collective bargaining and joint negotiations be used to settle disputes between labour and management.
- Outside interference must be avoided at all costs while resolving differences between parties. Trade unions should use voluntary arbitration in place of compulsory adjudication to resolve disputes.

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Approaches to IR

- 5. Gandhian Approach** – Gandhi Ji accepted the workers right to strike but cautioned that this right be exercised in just cause and in a peaceful, non-violent fashion.
- The trusteeship theory advocated by him highlights the fact that wealth belongs to society and not to owners of an enterprise.
 - Owners are there to serve the interests of society. If they fail to pay minimum wages to workers, workers must appeal to their conscience. If this does not produce results, they should resort to non-violent non-cooperation.
 - Before adopting this strategy, workers must believe in their collective strength and note the crucial point that without their active cooperation, capitalists cannot achieve results.



Causes of Poor Industrial Relations

1. ECONOMIC CAUSES

- Poor wages
- Poor working conditions
- Unauthorised deductions from wages
- Lack of fringe benefits
- Absence of promotional opportunities

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Causes of Poor Industrial Relations

2. ORGANIZATIONAL CAUSES

- Faulty communication system
- Unfair practices
- Non-recognition of trade unions
- Violation of labour laws
- Lack of supervision

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Causes of Poor Industrial Relations

3. SOCIAL CAUSES

- Uninteresting nature of work
- Tensions and conflict
- Growing intolerance

4. PSYCHOLOGICAL CAUSES

- Lack of job security
- Poor organizational culture
- Non-recognition of merit

Causes of Poor Industrial Relations

5. POLITICAL CAUSES

- Political nature of trade unions
- Multiple unions
- Inter union rivalry

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References

Sinha, P. R. N., Sinha, I. B., & Shekhar, S. P. (2017). *Industrial Relations, Trade Unions and Labour Legislation*. Pearson Education India.

