

Industrial Relations
Dynamics of Industrial Relations

Module 5_Session 1

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Content to be covered

- Definition of IR
- objectives,
- Benefits
- Parties of IR

The logo of Galgotias University is a stylized 'G' composed of three curved, overlapping bands in yellow, blue, and red. Below the logo, the text 'GALGOTIAS UNIVERSITY' is written in a large, light grey, serif font.

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Industrial Relations: Definition

- The term '**industrial relations**' refers to the **collective relations** between employers and employees as a group. It emphasizes the importance of compromise and accommodation in place of conflict and controversy in resolving disputes between labor and management.
- **According to Dale Yodder** 'Industrial Relations describe the relationships between managements and employees or employees and their organizations, that grow out of employment.'
- IR may be defined as the complex of inter- relations among workers, managers and government.
- Industrial relations involve the study of how people get on together at their work, what difficulties arise between them, how relations among them are regulated what organizations are set up to protect different interests.

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Nature of IR

- **Employer-employee interactions** – Industrial Relations arise out of employer-employee interactions. These relations cannot exist without the basic building blocks, i.e. the employer on one side and the employees on the other side.
- **Web of rules** – Industrial relations are a ‘web of rules’ formed by the interaction of the government, the industry and the labour. They include the relations between employer and employees and between employer’s associations, trade unions as well as the State.
- **Multidimensional** – Industrial relations are fairly multi-dimensional in nature as they are influenced, by a complex set of institutional, economic and technological factors.
- **Dynamic and changing** – Industrial relations change with the times, generally keeping pace with the expectations of employees, trade unions, employer’s associations and other economic and social institutions in a society. Apart from the legal framework, these societal forces generally influence the direction of industrial relations within a country.
- **Spirit of compromise and accommodation** – the industrial relations system is characterized by forces of conflict and compromise on either side. In the larger interests of society, both the employer and the employees must put out fires amicably and get along with each other in a spirit of compromise and accommodation. The individual differences and disagreements must be dissolved through persuasion and even pressure.

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Nature of IR

- **Government's role** – the government influences and shapes industrial relations with help of laws, rules, agreements, awards of courts and emphasis on usages, customs, traditions, as well as the implementation of its policies and interference through executive and judicial machinery.
- **Wide coverage** – the scope of industrial relations is wide enough to cover a vast territory comprising of grievances, disciplinary measures, ethics, collective bargaining, participatory schemes, dispute settlement mechanisms, etc.
- **Interactive and consultative in nature** – Industrial relations includes individual relations and joint consultation between labour, management, unions, the state etc. It pinpoints the importance of compromise and accommodation in place of conflict and controversy in resolving disputes between labour and management.



Objectives of IR

- Enhance the economic position of the worker.
- Minimize conflicts and to the extent possible, avoid conflicts and their negative consequences.
- Allow workers to have a say in important decisions affecting their lives.
- Resolve knotty issues through consultation and negotiation.
- Encourage and develop trade unions in order to improve the workers' collective strength.
- Pave the way for industrial democracy.

Objectives of IR

- To develop and maintain harmonious relationship between management and labour
- To safeguard the interests of labour
- To establish and maintain industrial Democracy
- To avoid all form of industrial conflict so as to ensure industrial peace
- To raise productivity and reduce high labour turnover

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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.

References

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

