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Industrial Relations – Meaning and Definition

The term 'Industrial Relations' comprises 'Industry' and 'relations'. Industry means any productive activity in which an individual is engaged. It includes- (a) primary activities like agriculture, fisheries, plantation, forestry, horticulture, mining etc. etc. and (b) Secondary activities like manufacturing, construction, trade, transport, commerce, banking, communication etc.

Economically speaking, industry means the secondary sector where factors of production (land, labour, capital and enterprise or four M's – men, materials, money and machines) are gainfully employed for the purpose of production, and where a business organisation exists.

'Relations' means 'the relations that exist in the industry between the employer and his work-force. Different authors have defined the term industrial relations in somewhat different way.

The following points emerge from the analysis of the above definitions:

(1) Industrial relations are the relations which are the outcome of the 'employment relationship' in an industrial enterprise. It is, thus, employer-employee relationship in an industry. Two parties—employer and workmen are necessary without which such relationship cannot exist and it is the industry which provides the setting for industrial relations.

(2) Industrial relation is the relation in the industry created by the diverse and complex attitudes and approaches of both management and workers in connection with the management of the industry. Attitude refers to the mental state of a person, approach can be the external expression of such an attitude. Attitudes are always not obvious and the individual himself may not always be fully conscious of the attitudes.

Attitudes must be inferred from tone of verbal expressions or perhaps from the individual's overt behaviour. Attitude is the mental state of the individual which prepares him to take a particular, (external) approach or make him behave in a particular manner. Attitudes of both—employer and employees influence each other and determine natural relationship.

(3) This relationship emphasises on the process of accommodation whereby both the parties develop skills and methods of adjusting to and cooperating with each other.

(4) Industrial relation is not a simple relationship between the two parties but is a set of functional interdependence involving a number of factors, say, historical, economic social, psychological, demographic, technological, occupational, legal and others etc. It, therefore, requires an interdisciplinary approach for its study. In this context, industrial relations are the relations and interactions between management and workers and as a result of their composite attitudes and approaches.

(5) Every industrial relation creates a complex of rules and regulations to govern the work-place, the work- community with the main purpose of maintaining harmonious relations between the management and the workmen by solving their problems through the process of collective bargaining.

Industrial Relations – Scope

Industrial relations are relation between employee and employer in their day-to-day work. Hence, it is continuous relationship.

The scope of industrial relations includes:

(a) Relationship among employees, between employees and their superiors or managers.

(b) Collective relations between trade unions and management. It is called union-management relations.

(c) Collective relations among trade unions, employers' associations and government.

Scott, Clothier and Spiegel remarked that industrial relations has to attain the maximum individual development, desirable working relationships between management and employees and effective moulding of human resources. They have also asserted that either industrial relations or personnel administration is primarily concerned with all functions relating man effectively to his environment.

Thus, the scope of industrial relations seems to be very wide. It includes the establishment and maintenance of good personnel relations in the industry, ensuring manpower development, establishing a closer contact between persons connected with the industry and that between the management and the workers, creating a sense of belonging in the minds of management, creating a mutual affection, responsibility and regard for each other, stimulating production as well

as industrial and economic development, establishing a good industrial climate and peace and ultimately maximising social welfare.

Industrial Relations – 4 Main Objectives

Two-fold objectives of good industrial relations are to preserve industrial peace and to secure industrial co-operation.

If we have to establish industrial peace, the workers must be assured of fair wages, good conditions of work, reasonable working hours, holidays and minimum amenities of life.

Industry can be defined as a venture of co-operation under the direction of the management to secure the effective co-ordination of men, materials, and machinery and money.

The objectives of good industrial relations should be development and progress of industry; through democratic methods, stability, total wellbeing and happiness of the workers; and industrial peace.

Industrial peace is the fruit of good industrial relations. It is the harmonious atmosphere where there is no “inquilabs”, no strikes and no industrial disputes.

Regional prejudices, provincialism and clannishness have no place where good industrial relations prevail.

The primary objective of industrial relations is to bring about good and healthy relations between the two partners in the industry i.e., the management and the labour.