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**Course:** MBA (PG)

**Semester :** 3<sup>rd</sup>

**Paper :** MB –HC 02

**Topic :** collective Bargaining (Prerequisites)

**Subject :--** Industrial Relations

**Department :--** Management

**University:--** MMHU (Patna)

**Date:-** 7/.9/.20

## **Essential Pre-Requisites for Collective Bargaining**

**Effective collective bargaining requires the following prerequisites**

- (i) Existence of a strong representative trade union in the industry that believes in constitutional means for settling the disputes.
- (ii) Existence of a fact-finding approach and willingness to use new methods and tools for the solution of industrial problems. The negotiation should be based on facts and figures and both the parties should adopt constructive approach.
- (iii) Existence of strong and enlightened management which can integrate the different parties, i.e., employees, owners, consumers and society or Government.
- (iv) Agreement on basic objectives of the organisation between the employer and the employees and on mutual rights and liabilities should be there.
- (v) In order that collective bargaining functions properly, unfair labour practices must be avoided by both the parties.
- (vi) Proper records for the problem should be maintained.
- (vii) Collective bargaining should be best conducted at plant level. It means if there are more than one plant of the firm, the local management should be delegated proper authority to negotiate with the local trade union.
- (viii) There must be change in the attitude of employers and employees. They should realise that differences can be resolved peacefully on negotiating table without the assistance of third party.

(ix) No party should take rigid attitude. They should enter into negotiation with a view to reaching an agreement.

(x) When agreement is reached after negotiations, it must be in writing incorporating all term of the contract.

It may be emphasised here that the institution of collective bargaining represents a fair and democratic attempt at resolving mutual disputes. Wherever it becomes the normal mode of setting outstanding issues, industrial unrest with all its unpleasant consequences is minimised.