

A Theoretical Construct on Industrial Relations Practices in Rourkela Steel Plant, Rourkela (Odisha)

Paper Submission: 05/07/2021, Date of Acceptance: 15/07/2021, Date of Publication: 26/07/2021



Satyabrata Patro

Assistant Professor,
Post - Graduate Department of
Industrial Relations & Personnel
Management (IR&PM),
Berhampur University,
Berhampur, Odisha, India

Hari Narayan Sahu

Senior Research Fellow,
Post - Graduate Department of
Industrial Relations & Personnel
Management (IR&PM),
Berhampur University,
Berhampur, Odisha, India

Abstract

In simple term "Industrial Relations" deals with relationships between employer-employee in the organisational context. Government has intervene within the scenario of bipartite Industrial Relations as a third party for regulating purposes, enacted so many Industrial Relations legislations which has been gathered under the Industrial Relations Code with the effort made by the central govt. This in turn will improve coordination. Industrial relations in countries, sub-regions and regions, have been influenced by a variety of circumstances and actors such as political philosophies, economic imperatives, role of the state in determining the direction of economic and social development, the influence of unions and the business community, as well as the legacies of colonial governments. The field of Industrial Relations deals with functional areas such as providing employees a collective voice with the means to establish standardized terms and conditions of employment. It has achieved through the freedom of association, collective bargaining and the right to strike. Hence, present study is a theoretical structure on established policies and practices in liaison with Collective bargaining, grievance redressal procedure and trade union practices in Rourkela Steel Plant, Rourkela (Odisha). This article has been designed to enlighten the knowledge of readers in view of Industrial Relations policy for creation of new knowledge.

Keywords: Industrial Relations, Collective Bargaining, Trade Union, Grievance Redressal Machinery, Rourkela Steel Plant.

Introduction

Industrial Relations which refers to establishing congenial relationship between the industrial players both within and outside of the organisational setting. Players who are the parties to the internal environment are labour and management. Govt. acts as a regulatory body only to keep a balance between the parties thereto. The system of Industrial Relations is not only beneficial for those who are the industrial players but also relevant for economic progress of a country like India. Hence, each and every organisation irrespective of its' type should formulate their own strategy in maintaining Industrial Relations which may be vary from one to another.

Pallavi Kumari (2013), have emphasized industrial harmony for sustainable economic growth. Techniques used for establishment of industrial harmony is vary from organisation to organisation due to goal differences.

Welfare amenities in the context of organisational workers, to their family members and society as well has been prescribed by various authors who have put their considerable effort in defining its relationships with organisational productivity in India and abroad is also a strategic tool in the hands of every organisation for maintaining industrial harmony.

Hence, Nibedita Nanda et al. (2013), have given due weitage to welfare amenities for effective industrial relations environment, which would lead to better productivity, minimisation to cost, higher profit, decreases industrial dispute and well establish industrial harmony.

Unlike Nibedita, Hassan, Olanrewaju Makinde(2013), emphasized for goal achievement of the organisation industrial harmony is necessitate which could be attain only through effectiveness of industrial relations.

Aim of the Study

Present Study aims at analyzing the Industrial Relations scenario characterize with Collective Bargaining, Grievance Redressal Mechanism and Trade Union practices in Rourkela Steel Plant with a view to measuring its' policy decisions upon the prevailing Industrial Relations pattern. The Study has mainly analyze these practices because of it's' relevance in the complex business environment. Congenial Industrial Relations leads to better productivity, higher the level of employee satisfaction and talent could be retain in the long run. Hence, we could say that good Industrial Relations practices could turn itself as a strategic tool for ensuring prosperity on the part of organization et large and country as well. Hence, the present Study has concentrated on Policy decisions and practices in liaison with Collective Bargaining, Grievance Redressal Mechanisms & Trade Union practices for generalizing its impact in the Organizational context

Objectives of Industrial Relations

1. Avoiding industrial conflicts and its consequences.
2. Maintaining industrial democracy.
3. Ensuring the employee to have a say in managing the business affair.
4. Regulating productivity by optimizing industrial conflict
5. Solving industrial problem through adoption of bi-partite relationship.
6. Encouraging collective strength through negotiation.

Internal Factors

1. Relative attitude of top level management.
2. Attitude of employees towards the management and trade union.
3. Attitudes employees towards themselves, management and trade union.

External Factors

1. Militant function of trade union
2. Authoritarianism and effectiveness of employers' family.
3. Effectiveness of bargaining at plant, industry and local level.

Importance of the Study

Industrial harmony is crucial to any industry for progress of nation endeavour. How to maintain industrial harmony in industrial sphere in existence of such divergent nature is a matter of fact. It has been discovered under the present study. Hence, Industrial Relations system in Rourkela Steel Plant, Rourkela has been studies carefully.

Methods & Scope of the Study

Its' a theoretical construct of the system of Industrial Relations in the context of Rourkela Steel Plant comprising collective bargaining system, grievance redressal mechanisms and role of trade union in the organisational context.

Review of Literature on Industrial Relations

According to Sanders (2020) have emphasized on "trust" which as one of the most precious commodity.

According to McPheat (2018) Industrial Relations is an ability to perceive and understand social relationships.

Hakanen (2017) has defined social interaction built through trust only.

In the words of Donohoe (2015) Employee Relations as the study of the relationship that exist in between the employees and employers.

Thompson (2015) has defined conflict is inevitable among humans.

According to Boateng (2014) "not all conflicts are harmful".

Industrial Relations Practices in Rourkela Steel Plant Collective Bargaining

The Collective Bargaining in Rourkela Steel Plant takes place at three different levels:

1. Industry Level
2. Company Level
3. Unit/Plant Level

Rourkela Steel Plant, a unit under Steel Authority of India Limited (SAIL), a lot of broad settlement likes wage, allowances & others terms & conditions of employment of the employees are settled at Industry/Corporate level. At Industry level, corporate level the collective bargaining process is carried on through a tripartite body called National Joint Council on Steel (NJCS). This body consists of the representatives of the employers & workers. The Workers' representatives come from the central trade unions like HMS, INTUC and one each from recognised union of the steel plants. Apart from wages various fringe benefits, welfare measures, social security measures and productive issues are discussed & settled by this tripartite body. Perhaps this is the most exhaustive & powerful body for collective bargaining operating in an-industry. The issues discussed & settled in the NJCS are:

1. Wage
2. House, House rent & Allowance
3. Other Allowances
4. Social Security measures like gratuity computation, Workmen compensation, Employee Family benefits scheme etc.
5. Education facilities
6. Leave/Holidays
7. Employment issues
8. Productivity & Industrial Peace
9. At company level i.e. in Rourkela Steel Plant level following broad issues are negotiated & settled through collective bargaining process:
10. Promotion/growth opportunity to the employees
11. Transfer/redeployment/divestment
12. Incentive/Bonus
13. Allowances
14. Others

In Rourkela Steel Plant the negotiation is always done with the recognised union. Both bipartite i.e. between management & union and tripartite agreement i.e. inclusion of state conciliation authority as third party on various issues. The negotiation is done both at department level and central level

depending upon the issues and settlement is done accordingly. If the issues involve the particular department then the discussion, negotiation and agreement are done at departmental level. If the issues are of general nature, affecting the entire employees, then the same is done centrally. As per the culture prevailing in Rourkela Steel Plant, the recognised union usually gives a charter of demand to the management demanding some benefits for the employees. If the issues pertain to any particular department, section, the leader of the recognised union gives the charter of demand to the head of departments. If OIL' issues are of general nature, then the charter of demand is given to chief executive or 1-lead of Personnel. After receipt of the charter of demand, several rounds of discussion take place between management & union and efforts are made from both the sides to reach on a consensus. If the agreement is made between two parties, then a Memorandum of Settlement (MoS) is signed between management & union before the District Labour Commissioner, the conciliating authority to have a legal status to the agreement. However bipartite agreement called minutes of discussions are also signed depending on the nature of issues. Although no agreement is signed with the recognised union, RSP has a culture of discussing with the non-recognised union once in a month on various issues. The Collective Bargaining in Rourkela Steel Plant has been more or less integrative. It has always aimed for a win-win approach - looking for pie enlarging. In most of the agreements, while union has gained faster growth opportunity for the employees, the management has been able to introduce many productive work practices and elimination of restrictive work practices.

Effectiveness

The very objective of Collective Bargaining is to facilitate peaceful accommodation of conflicting interests and work towards a new equilibrium. As ILO views, the overriding purpose of collective bargaining is the "negotiation and continuous application of the agreed set of rules to govern the both substantive and procedural terms of employment of relationship." The union objective in the collective bargaining is to obtain maximum concession/benefits for the employees, while the management expects for business-like approach and relation from union and employees. In the whole bargaining process and agreements in Rourkela Steel Plant there has been a culture of trust. Both the parties have accommodated each other demands in a peaceful way. Once the consensus reached and agreements signed both the parties honour the agreements. During the last 10 years of collective bargaining process in Rourkela Steel Plant, more than nos. of tripartite & equal nos. of bipartite agreements have been signed and also many demands have not been agreed to. But there always has been prevailing a peaceful & conducive atmosphere. No industrial unrest during last 10 years has happened due to non-agreement to any demand. This proves the Collective Bargaining climate in

Rourkela Steel Plant. Collective Bargaining has always been viewed as a graceful exercise by both the Parties. While through agreements the employees have got faster promotion & other benefits, the management has also been able to achieve higher efficiency and increase productivity with active support from the union & employees.

Grievance Mechanism After 2003 Grievance Redressal System

In a labour intensive industry like Rourkela Steel Plant effective administration of employee grievance redressal mechanism is highly inevitable. To meet the above objective RSP administer a strong system of informal grievance handling mechanism i.e. through Employee Assistance Register (EAR). These Registers are available in all the Personnel Unit Offices and Control Rooms. Any aggrieved employees can record their grievances/differences relating to number of areas like attendance, pay, house allotment/maintenance, promotion, seniority, etc. The Unit Personnel Officers take necessary initiative to follow-up actions based on the grievances recorded. Apart from it there are also formal grievance redressal mechanism called Grievance Redressal Committee (GRC) and Executive Grievance Board (EGB) for redressal of the employees' grievances. The System of Grievance Redressal through different Zonal Committee was replaced by a uniform system in 2001. One central committee called Grievance Redressal Committee for Employees (GRCE) in place of ZGC subsequently renamed as GRC (Grievance Redressal Committee) and Grievance Redressal Apex Committee for Employees (GRACE) in place of CGC were constituted. With a view to make the Grievance Redressal System for non-executive employee's pragmatic and Redressal oriented the above 2 Committees were constituted. Personnel Department is the convener of the committee.

The salient features of the Grievance Com are as under:

1. An aggrieved employee may address his grievance in writing to the Convener of the GRC through Unit Personnel Officer (UPE).
2. A Grievance so received by the GRC shall be examined, considered and disposed of within one month of receipt of the Grievance by its Convener.
3. The GRC shall meet in periodic intervals however, at least once a month. The decision of the GRC shall be communicated to the concerned employee through the UPE.
4. In case the employee is aggrieved with the decision of the GRC on disposal of his grievance, he may appeal to the GRACE within 7 days of receipt of the communication of such decision from the concerned UPE. The appeal may be addressed to the Convener, GRACE and presented to the UPE which will send it to the Convener GRACE.
5. The GRACE shall examine, consider and dispose the appeal within one month of receipt of the

- appeal and communicated to the employee through the concerned UPE.
- The GRC/GRACE may adopt their own procedure for disposal of the grievance/appeal, respectively.

- General issues pertaining to scales of pay, dearness allowance, fringe benefits, gratuity, etc. Grievances whose cause of action had arisen prior to 01-01-1990.

Employee Assistance Register (EAR)

Employee Assistance Register is an important instrument in setting up of the grievance of employees in Rourkela Steel Plant. It has already been stated while describing the grievance redressal mechanism that the employees normally approach the personnel officer for settlement of their grievance before putting the same formally before the grievance committee. The provision of EAR is one of the steps in this direction. In every personnel unit Employee Assistance Register (EAR) is being kept ready for resolving employees' grievances. As suggested by its' name it assists the employee in resolving their grievances. The grievances are recorded fully having all details then the personnel officer takes appropriate measure for providing necessary assistance. It has been evident that more than 95% of their grievances are resolved with the aid of this register at unit level.

The maxim behind EAR is "Why the employees should have grievances when there is EAR to hear"

Grievance Redress through Employee Communication

In RSP there is a strong culture pertaining to communication is prevalent to ensure organizational efficiency in all aspect. The RSP Management knows an aggrieved employee is a de-motivated employee and stand in no way of organizational excellence. In addition here exist many structured communication forums where employees are free to tell their problem. In case it is not possible to settle as per the prescribed rule of the company, the employees are communicated. The detailed structured forum is:

MD's Mass Contact Exercise

With an aim of energizing employees behaviour towards organizational objective, an unprecedented programme commence on 19-04-2002 which is held once in every week, with the participation of 500 employees. They contribute their valuable ideas & suggestions for the overall growth of the organization. Commonly they interact with the Managing Director. A presentation session is being goes on highlighting the areas of concern.

General Manager's Communication Meeting

In each and every month General Managers hold the meeting of groups of employees of their area of control and major departmental issues, action plans, performance highlights, etc. are discussed accordingly.

HOD's Communication Meeting

A weekly or fortnightly meeting hold by every departmental Head of departments hold with employees where departmental issues like safety aspects, improvement plans etc. are discussed.

Sectional In-charge's Communication Meeting

Every week Sectional In-charges of major units hold meetings to discuss day-to-day shop-floor issues.

Status of Grievance Redressal Committee

Table-1

Sl. No.	Year	Received	Settled
01	2010-11	01	01
02	2011-12	02	02
03	2012-13	05	01
04	2013-14	00	04
05	2014-15	14	13
06	2015-16	01	02
07	2016-17	00	00
08	2017-18	01	01
09	2018-19 (till date)	00	00
Total		24	24

(Source: Records of Rourkela Steel Plant)

Table no.-1 shows status of Grievance Redressal Committee of last 9 years commencing from 2010-19. Statistics shows total 24 nos. of Grievances have been received & settled in the past 9 years but no grievances have been recorded for the year 2018-19 which convey employees of RSP are more satisfied in relation to matters concerning the organisation and possess improved morale.

Executive Grievance Procedure

Objectives

The Executive Grievance Procedure is introduced:

- To provide a formal grievance machinery to executives regarding their employment relationship;
- To redress the grievance;
- To study and recommend preventive action to minimize future grievances.

Scope

This procedure will be available to all executives who are in the scale of Rs. 5600-1175-7175/-(E-5) and below. The procedure will cover all matters arising in the employment relationship of executives except the following:

- Disciplinary action taken under conduct, Discipline & Appeal Rules.
- Cases relating to vigilance, security and termination of services.
- Promotion to posts in the grade of Rs.6250-175-7475/-(E6) or equivalent and above.
- Matters of training either in India or abroad.
- Communication of remarks entered in Appraisal forms.

Issue Based Workshops

Issue based workshops are held whenever as and when it require and all agencies concerned with the issue are encouraged to evolve improvement plan.

Trade Unions at Rourkela Steel Plant

Name of the Trade Unions, affiliation, details of Votes cast as per Secret Ballot Election held on 30.01.2018.

Table-2

Sl. No.	Name of The Trade Union	Affiliated To The Central Trade Union	No. Of Votes Cast On 30.01.2018
1.	Rourkela Ispat Karakhana Karmachari Sangh	BMS	4861
2.	Rourkela Shramik Sangh	INTUC	3730
3.	Gangpur Mazdoor Sabha	INDEPENDENT	2353
4.	Rourkela Mazdoor Sabha	HMS	965
5.	Steel Employees Trade Union	CITU	308
6.	Rourkela Workers' Union	ALL INDIA UTUC-LS	71
7.	Aam Mazdoor Sangathan	INDEPENDENT	43
8.	Rourkela Steel Mazdoor Union	AITUC	40
9.	Rourkela Shramik Panchayat	Independent	
10.	Hindustan Steel Workers' Association	Independent	
11.	Louha Mazdoor Union	Independent	
12.	North Orissa Workers Union	Independent	
13.	Ispat Labour Union	Independent	
14.	Kalinga Ispat Shramik Sangh	Independent	
15.	Steel Employees' Association, Rourkela	Independent	
16.	Rourkela Building Construction Workers Union	Independent	Not participated
17.	Rourkela Shramik Sakti	Independent	Not participated

(Source: Records of Rourkela Steel Plant)

There are 17 Trade Unions have been existed in Rourkela Steel Plant as on 01.03.2019, which comprises of both casual and permanent workers. From the above Trade Unions mentioned in the **Table no. 2** Rourkela Ispat Karakhana Karmachari Sangh (RIKKS) affiliated to BMS (Bharatiya Mazdoor Sangha) has obtain highest votes (i.e. 4861 votes) followed by Rourkela Shramik Sangh affiliated to INTUC (3730 votes) as per the Secret Ballot election held on 30.01.2018 in accordance with the Verification of Membership and Recognition of Trade Unions Rules, 1994 notified by Govt. of Orissa. It determine the Trade Union to be accorded recognition by the state Labour Directorate verification through secret ballot which normally held once in every two year. Presently, Rourkela Ispat Karakhana Karmachari Sangh (RIKKS) acting as a recognised union in Rourkela Steel Plant, takes part on the negotiation table along with the management of RSP, represent the interest of workers as a whole. There is no. of trade unions affiliated to Central level trade unions like Rourkela Mazdoor Sabha (affiliated to HMS), Steel Employees Trade Union (CITU), Rourkela Workers Union (All India UTUC-LS), Rourkela Steel Mazdoor Union (AITUC). There are 11 (eleven) trade unions operating independently in Rourkela Steel Plant (RSP).

Conclusion & Suggestions

If we shall make a review of the records and registers pertaining to the industrial disputes in Rourkela Steel Plant, it will convey that since last five

years no industrial disputes have come to the front. Grievance which is a common phenomenon is also optimum in recent years. The management of Rourkela Steel Plant also takes prompt measure for resolving grievances as and when it realized. Peaceful industrial relation is obvious to keep on running the cogue of the wheel of nation directing towards progressive line. Labour intensive organisation like Rourkela Steel Plant has succeeded in ensuring industrial peace in its periphery. Industrial Relations policy prevalent in RSP could be sighted as a benchmark for all other labour intensive industries for maintaining peace and harmony for mutual gain.

Reference

1. Chowdhury, R. G. (2014).^{01,03}, *A Study on the Impact of Leadership Styles on Employee Motivatioin and Commitment: An Empirical Study of Selected Organisations in Corporate Sector. Thesis, Padmashree Dr. D.Y. Patil University, Mumbai.*
2. Deptt., I. R. (2019). *Records.*
3. Deptt., W. (2019). *Records. Rourkela Steel Plant.*
4. Dixit, G. K., & Sharma, D. K.⁰² *Maintaining Industrial Harmony Through Employees Engagement: A Study Report conduct in Automobile Industry, Delhi NCR. IJRSI, II (VII).*
5. PL-OD. (2019). *Records. Rourkela: Rourkela Steel Plant.*
6. (2019). *Records of Industrial Relations Deptt. Rourkela: Industrial Relations Deptt. Rourkela Steel Plant.*