

# **Idhaya College for Women Kumbakonam**



**PG & Research Department of Commerce**

**I MCom**

**Human Resource Management- P16MC23**

**Unit – V**

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## Unit – V

### **GRIEVANCE:**

#### **Meaning:**

Grievance is a Complaint formally stated in writing. Grievances which are not resolved result in frustration, dissatisfaction, low productivity, lack of interest in work, absenteeism, etc.

#### **Definition**

“Any real or imagined feeling of personal injustice which an employee has concerning his employment relationship”. – **Keith Davis**

#### **Causes of grievance:**

- The job assigned does not match the skills and qualifications of the employee.
- The working conditions are unsafe, unhealthy and not conducive for work. There may not be proper lighting, ventilation, and adequate space.
- The salary paid to the employee is quite low. Employees may feel that they are paid less when compared to others.
- Delayed payment of salary, incentives, bonus and overtime.
- The right type of tools and machines are not provided to workers.
- Sudden changes in work schedules and procedures which affect workers.
- Poor relationship with colleagues and superiors.
- Lack of career growth opportunities.
- Mismanagement of favoritism in promotion and transfers.
- Targets are set at very high levels resulting in frustration.
- Change in organizational policies which affect workers.
- Management’s negative attitude towards trade unions.
- Violation of collective bargaining agreements.
- Very strict disciplinary procedures, imposition of stiff fines and penalties.
- Adequate leave is not provided to employees.
- Lack of job security. Employees can be terminated any time or even for minor mistakes.

## **IMPACT OR EFFECTS OF GRIEVANCE**

### **1. Impact of production**

- ❖ Low quality of products or services.
- ❖ Low productivity.
- ❖ High wastage of materials
- ❖ Lack of proper maintenance resulting in frequent breakdown of machinery.
- ❖ High rate of defectives, breakage and scrap.

### **2. Impact on employees**

- ❖ Lack of interest in work.
- ❖ Low work commitment
- ❖ Poor morale and motivation
- ❖ High rate of accidents
- ❖ Increased rate of accidents.

### **3. Impact on Superiors/ Management**

- ❖ Poor relationship between workers and superiors resulting in conflicts.
- ❖ Increase in cases of indiscipline
- ❖ Increase in employee unrest.

## **ELEMENTS OR PRE-REQUISITES OF GRIEVANCE PROCEDURE**

### **1. Conformity with legal regulation:**

The grievance procedure should conform to the existing legal rules and regulations. It should not go against any of the legal provisions.

### **2. Clarity**

There should be clarity regarding all aspects of the grievance procedure. Employees should know whom to approach and the process involved.

### **3. Simplicity:**

The grievance procedure should be simple with limited procedures. If the process is lengthy, it would lead to delays and frustration.

#### **4.Promptness:**

Grievances should be addressed in a prompt manner. It would satisfy employees and create a positive feeling that the management is responsive. Undue delays should be avoided.

#### **5.Training:**

The supervisors and those involved in the grievance procedure should be properly trained. They should know the grievance redressal process and the methods to address grievances.

### **GRIEVANCE PROCEDURE:**

#### **1.Open door policy:**

Workers who have grievances meet the manager and communicate their grievances to him. This method provides an outlet to workers to resolve their grievances promptly. However, this method would not be suitable in a large company employing thousands of workers.

#### **2. Step ladder policy:**

- The worker who has a grievance, represents his grievance in writing to the supervisor and union representative
- The grievance is examined by the department head and office bearer of the trade union. If it is not settled, the grievance is taken to the next level.
- The top management officials and senior members of the regional union discuss the grievance. If it is not settled it has to be submitted for arbitration.
- Arbitration is the process of settling grievances or disputes through an impartial third party arbitrator.

## **Collective Bargaining:**

### **Meaning :**

Collective bargaining consists of negotiation between an employer and a group of workers to determine the conditions of employment. It is a voluntary process under which representatives of both employers and labour enter into an agreement.

### **Definition:**

“Collective bargaining is essentially a process in which employees act as a group in seeking to shape conditions and relationships in their employment.

- **Dale Yoder**

### **Levels of Collective bargaining :**

#### **1.Distributive bargaining:**

It is also known as conjunctive bargaining. Economic issues such as wages, financial incentives and bonus are discussed. It is competitive bargaining in which one party's gain is another party's loss. Unions negotiate for maximum economic benefits while management wants to give the minimum possible.

#### **2.Integrative bargaining:**

It is also known as cooperative bargaining. Both union and management may gain or neither party loses. The union and management may bargain over better training programs, improved job evaluation and performance appraisal during recession, the union may accept a cut in wages and management may agree to provide job security.

#### **3.Productivity bargaining:**

Workers wages and benefits are based on their productivity. A productivity index is prepared through negotiations between the union and workers. Workers whose output is more than the standard productivity get more benefits.

#### **4. Intraorganizational bargaining:**

Conflicts may arise among workers. Unskilled workers may feel that they are ignored while skilled workers are given importance. There can be conflicts among members of the management. Intra organizational bargaining resolves such internal conflicts.

#### **5. Composite bargaining:**

Liberalization, globalization, automation and subcontracting affect worker's rights. Collective bargaining on wages and working conditions alone would not be sufficient. Therefore composite bargaining has evolved. Bargaining is not restricted to wages and includes employment levels, work norms, hazards and limits on subcontracting of work.

#### **Methods of Collective Bargaining:**

##### **1. Problem identification:**

The nature of the problem, the importance and urgency has to be identified. Only after identifying the problems, the representatives can be selected.

##### **2. Data collection:**

The labour and management collect data relating to nature of grievance, disciplinary action, wages, overtime, previous agreements, cost of living, wage rates in other companies etc.

##### **3. Selection of Negotiators:**

The quality of negotiators influences the success of collective bargaining. Negotiators with knowledge and understanding of labour laws and trade union principles should be selected. They should have good communication and intelligence.

##### **4. Bargaining:**

The actual problems are discussed by representatives of the management and trade union. Bargaining would succeed if both the parties adopt a policy of give and take. They should not stick to rigid positions. Bargaining should be conducted in a climate of mutual trust.

## **5. Agreement:**

If the parties arrive at a common understanding , agreement is reached. The agreement should be prepared as a formal document and signed by both the parties.

## **6. Enforcement of agreement:**

Once the agreement is reached , it should be enforced in the right spirit. Both the parties should abide by the terms of the agreement.

## **Benefits of Collective Bargaining:**

### **1. Protection of Interests:**

Through collective bargaining the interests of both workers and management is protected. Views of workers are considered and they can participate in decision making.

### **2. Prevention of disputes:**

Industrial disputes arise because of misunderstanding between workers and the management. Through collective bargaining, problems can be discussed and solved in the initial stages. This prevents industrial disputes in the organization.

### **3. Improved economic strength:**

Collective bargaining enables healthy industrial relations and improvement in productivity. This leads to higher profits and strong growth benefitting both management actions against employees.

### **4. Restricts economic strength:**

Management may take arbitrary actions such as suspension, layoff, retrenchment etc. affecting workers. Collective bargaining restricts such arbitrary management action against employees.

**5.Improved morale and motivation:**

Employees views are considered in decision making and their problems are promptly solved through discussion. This results in better morale and motivation among employees.

**6.Better labour management relations:**

Collective bargaining results in better labour management relations. Agreement are reached through mutual give and take and there is better understanding.

**7. Prompt redressal of grievance:**

Grievances of employees can be redressed promptly through collective bargaining. Problems are discussed and mutually acceptable solutions can be found.

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