

INDUSTRIAL DISPUTES AND PROCEDURE FOR THEIR SETTLEMENT IN LARGE SCALE PRIVATE SECTOR INDUSTRIES: LITERATURE REVIEW

G.D Rathi¹ and P.N. Nihalani²

¹Swami Ramanand Teerth Marathwada University, Nanded, MS, India

²Indira Institute of Management Sciences, Nanded, MS, India

¹gaurirathi333@gmail.com

ABSTRACT

Industrial dispute is defined as any dispute or difference between employers and employees or between employers and workers or between workers and workers which is connected with the employment or non-employment or the terms of employment or with the conditions of labour, of any person and includes any dispute or difference between an individual worker and an employer connected with, or arising out of discharge, dismissal, retrenchment or termination of such worker. The causes of industrial disputes can be divided into four main categories namely, economic causes, management causes, political causes and other causes. The effects of industrial conflicts are far-reaching, as they affect the country's economic, social, and political life. Various measures have been taken by the Government to prevent industrial conflicts. This literature review paper presents survey of research on industrial disputes, its causes and consequences, and dispute settlement mechanism.

Keywords: Industrial disputes, causes, consequences, dispute settlement mechanism

Introduction

The literature review becomes a slightly difficult task when a large amount of literature exists on a given topic. The problem arises, mainly in the selection of the relevant piece of literature for conducting a review. In this era of strong search engines, thousands of literature items are accessible to researchers at the click of the mouse. In such situations, there is always a risk of the focus on the core concepts getting diluted. The researcher might be tempted to engage in a literature review that is not so relevant. To take care of this concern, objectives were evolved for carrying the literature review. This made the task quite manageable. The literature review's objectives were framed to have a clear focus on the concepts, including the context of this research. The literature review was carried with the objective of reviewing the following literature:

1. Industrial disputes in general
2. Causes of industrial disputes,
3. Impact of industrial disputes, and
4. Mechanism to solve industrial disputes

Literature review

1. Industrial disputes in general

This study aims to calculate in a way that confirms the possibility of the establishment of complex new industries resulting in complex, indirect, and impersonal industrial relationships

that evoke industrial conflicts and hold all parties in need of a solution through cultural expression and shared feeling. The organization's culture determines the standard of conduct of its employees and directs their words and actions, thus eliminating conflicts and disputes. Descriptive cross-sectional surveys are conducted through a formal and confidential questionnaire. Multiple stage samples were used. Structural modeling was used in the proposed conceptual model for the validation of the factors. The study revealed the great fact that empathy for workers has had a positive impact on the culture of the organization, which has also played an important and positive role in preventing industrial conflicts. When organizations focus on the importance of employees, focusing on employee well-being and providing support and care, there is a sense of unity, which prevents them from engaging in any form of unrest and turmoil and ensures honesty and adherence to work (Biswas and Chakraborty, 2019).

This study aims to calculate in a way that ensures the possibility of the establishment of new complex industries that lead to complex, indirect, and impersonal industrial relationships that provoke industrial conflicts and hold all sides in need of a solution through cultural expression and shared feeling. Organizational culture determines the standard of conduct of its employees and directs their words and

actions, thereby eliminating conflicts and disputes. Various descriptive surveys were conducted through official and confidential questionnaires. Multiple stage samples were used. Structural modeling was applied to the proposed concept model to validate the features. This study revealed the great fact that empathy has a positive effect on the culture of the organization, which also plays an important and positive role in preventing industrial conflicts. When organizations focus on employee value, focus on employee well-being and provide support and care, there is a sense of unity, which prevents them from participating in any form of unrest and turmoil and ensures honesty and integrity in the workplace (Creigh, 1989).

2. Causes of industrial disputes

From time immemorial industrial conflicts have served as a major impediment to industrial growth which has had a profound impact on the country's economic growth. This paper is based on The Industrial Dispute Act, 1947. It examines the history of various industrial conflicts and presents them statistically. It also attempts to understand the same causes and types. It also examines the underlying problem of management and staff attitudes and understands its negative impact on industrial conflict. Having industrial conflicts in the country is by no means a good sign as it leads to many consequences and has a repetitive effect of various factors such as, employee, employer, productivity, GDP and the economy as a whole. The paper tries to understand the results and also tries to offer some solution to it (Daudkhane, 2017).

Opportunities for conflict exist in all institutions and organizations that employ and rely on individuals. Whenever there is an industrial dispute, both managers and employees try to pressure each other to accept their views. Managers may use methods such as lockout while employees may face strikes, gheraos etc. Although it can be said that many reasons not only cause chaos in the industry leading to loss of productivity and profits but also affect trust among workers, managers and employees. This cannot or should not be ignored. The employer expects benefits from the investments made while employees raise expectations. Many factors can be identified as

the root cause of conflict and can be categorized under different headings. Building a strong nation depends on a strong economy and to achieve this, an analysis of the underlying cause must be considered. Organizations therefore need to use a strategy to prevent this conflict in the first place. The purpose of this current paper is to discuss the various causes of industrial disputes with the special reference of Maruti Suzuki India. The cause of the conflict may be one or the other but it affects not only the growth of the industry but also the labor and the economy (Rao, 2017).

3. Impact of industrial disputes

Do industrial disputes lead to lower foreign direct investment (FDI)? Recent research argues that conflicts make potential investors view the participating country as more risky. However, a dispute, which reflects the economic damage to a rival company, may signal a new economy opportunities for firms hoping to enter the same industry. Competitive pressures on risk and reward mean that the impact of conflicts on FDI is not yet clear. However, we argue that the balance of risk and reward varies across industries. Specifically, we expect the rewards to increase as a function of industry fixed costs. We are testing our hypothesis using new FDI data for the greenfield industry standard between countries from 2003 to 2015. We find that corporate disputes reduce investment in industries with low fixed asset but not high durability of fixed assets. All in all, the results highlight the importance of theory and data that allow for diversity of investors (Shim et al., 2017).

This research note examines the frequency, environment and status of employers seeking legal redress for joint industrial disputes between 1995 and 2005. The number of real and terrifying applications continues to be relatively high compared to most of the time from 1980 to 1995, when employers were able to get successful results. However, consumption is increasingly focused on a small number of industrial sectors such as parts of the public sector and state-owned enterprises (Gall, 2006).

4. Mechanism to solve industrial disputes

The Industrial Disputes Act, 1947 provides ways to resolve industrial disputes amicably

and to promote harmonious relations between employers and workers. The law is for collective bargaining, reconciliation, arbitration and mediation. Reconciliation means the settlement of Industrial Disputes by Reconciliation Officials appointed by the Government. The reconciliation officer mediates between the parties to settle the dispute amicably and peacefully. Against this background, this study attempts to test the effectiveness of reconciliation mechanisms under the Industrial Disputes Act, 1947 in West Bengal during the period from 1991 to 2015 that is, the entire period of global trade. During the period under review, mediation machines dealt with approximately 4779 disputes a year during which 1927 disputes were settled. The total dispute resolution rate is 37.17%. Among discarded disputes, there are disputes where reconciliation machines have reported failure, there are disputes that are resolved at the tripartite or bipartite level and there have been disputes resolved otherwise (Dutt et al., 2020).

This paper reviews the effectiveness of the reconciliation process used to resolve industrial disputes in India. The reconciliation process in its current state is fraught with delays and is often ineffective in resolving disputes. This often leads to disputes in the judiciary, that is,

it takes a lot of time. Combined delays justice is the same as denial. This raises questions about the effectiveness of the reconciliation process and its relevance at the broader policy level. This paper considered a combination of reconciliation and adjudication and suggested a model using the theater method of the game to successfully resolve industrial disputes (Basu, 2012).

Conclusion

Most of the studies focus on single dimensions like causes or consequences or settlement mechanisms. Research factoring multiple dimensions is not much. For instance a study that deals with both causes and dispute settlement mechanism is seen only sparingly. Additionally a study that considers the perspective of both employer and employees is also not seen. Hence a research was taken up with the following research questions:

RQ1: What are the causes of industrial disputes from the view point of employer and employee?

RQ2: What dispute solving mechanism exists in the industries?

RQ3: Is the mechanism effective?

RQ4: What are the measures taken to reduce the industrial disputes?

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