



SNS COLLEGE OF ENGINEERING

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DEPARTMENT OF MANAGEMENT STUDIES

COURSE NAME : 19BA316 INDUSTRIAL RELATIONS & LABOUR WELFARE

II YEAR /III SEMESTER

Unit 1 - INDUSTRIAL RELATIONS

Topic 3: APPROACHES TO INDUSTRY RELATIONS





PERSPECTIVES/APPROACHES TO IR

1. Psychological Approach
2. Sociological Approach
3. Human Relations Approach
4. Socio-Ethical Approach
5. Gandhian Approach
6. System Approach



PSYCHOLOGICAL APPROACH

- Psychologists are of the view that the problem of industrial relation are rooted in perception and attitude.
- The influence of individual behaviour is studied by Mason Harie. He studied behaviour of two groups “union leaders” and “executives” through a test
- For the test photograph middle-aged person served as input, which both groups expected to rate.
- The union leaders referred the person in the photograph as “Manager” where the group of executives referred the person as “Union leader”
- This study reveals that variance in perception of parties is largely because of their individual perception.



CONTD...

The conflict between labour and management occurs because every group negatively views the behaviour of others.

i.e., Even honest intention of a party is look for suspicion

In most of industrial conflicts, not only the interest but also the personalities of the actors are at stake.

The problem is further aggravated by unfulfilled needs of power, prestige, recognition, economic motives

Also strained inter-personal and inter-group relations breed disharmony in the system



SOCIOLOGICAL APPROACH

- Individuals and groups with differing personality, educational background, family breeding, emotions, likes and dislikes.
- The difference in attitude and behavior create problems of conflict and competition among the members of an industrial society
- The customs, norms, attitude and perception of both labour and management affect the industrial relations in varied ways.
- The social consequences of disintegration, stress and strain, personal and social disorganization (leading to gambling, drinking, drug abuse etc.) do influence the efficiency and productivity
- Thus in turn influence industrial relations of an industry



HUMAN RELATIONS APPROACH

- The most delicate and tricky ones is managing the human resources
- Their handling is radically different from that of physical, material and financial resources
- When the resources are not properly managed, the problem of industrial relations surfaces
- The HRM Policies including leadership and motivation influence work behaviour
- For Instance, Autocratic Style leads to dissatisfaction and hatred among people, whereas in democratic style it motivates people



CONTD....

- Another important factor in all conflicts is dissatisfied needs of the individual
- For maintaining good relations, the needs must be satisfied
- Four basic needs: Physiological, Safety, Social and Egoistic Needs
- It is necessary for management to design a suitable motivational strategy



SOCIO-ETHICAL APPROACH

- Good industrial relations can be maintained when both labour and management realize their responsibilities
- There should be mutual co-operation and greatest understanding of each other's problems
- A Tripartite study group at the behest of the National Commission on Labour studied the labour management relations
- The Study group observed that “ The goal of labour-management relations may be stated as maximum productivity, leading to economic development, adequate understanding among employers, workers, and government of each other role industry and willingness among parties to co-operate as partners in the industrial system.



CONTD...

V.V.Giri has laid stress on collective bargaining and mutual negotiations between employers and employees for the settlement of disputes.

His emphasis on voluntary arbitration rather than compulsory arbitration



GANDHIAN APPROACH

- It is based on the principles of truth and non-violence.
- There should be no strike without a grievance.
- Resolution of conflict by non-violence and non co-operation
- Gandhiji accepted the workers' right to go on strike but such right should be exercised for just cause in peaceful and non-violent manner.
- It should be resorted to only after employers fail to respond to the appeals
- He believed in the concept of settling disputes through mutual negotiations and arbitration without rancor between the parties.
- He was not against strike but advocated the policy that they should be the last weapon in the armory of industrial workers



CONTD

His principle is based on trusteeship

It implies though wealth belongs to its owners, morally it belongs to society

If capitalists fail to pay minimum living wages, workers should appeal to the employers' conscience

If it does not work, they should resort to non-violent



CONTD...

Resolving Disputes the following rules to be observed:

- The workers should seek of reasonable demand through collective action
- If they have to organise a strike, trade union should seek by ballot authority and use non-violent methods
- Should avoid strike as far as possible
- Strike should be resorted to only as a last resort after all measures have failed
- Workers should take recourse to voluntary arbitration when efforts at direct settlement have not succeeded.



SYSTEM APPROACH

- John Dunlop developed System approach in 1950s
- Industrial relations systems comprised of certain actors, contexts, an ideology
- Actors: Three parties – Employers, Labour unions and the Government
- Environmental contexts: Technology, Market constraints, Distribution of power
- Ideologies: Set of ideas and belief commonly held by the actors
- Rules: A body of rules are framed to govern the actors at the workplace.
For example: agreements, custom, statutes, regulations



RECAP

QUESTIONS???

THANK YOU