



Role of Trade Unions – A Critical Dimension on Organizational Climate: A Study in Two Thermal Power Stations-NTTPS & KTPS

V.Naga Nirmala

Department of Human Resource Management, Acharya Nagarjuna University, Guntur.

Dr. B. Naga Raju

Assistant Professor, Department of Human Resource Management, Acharya Nagarjuna University, Guntur.

ABSTRACT

This study attempts to establish the relationships that exist the Trade unions and organisational climate and its influence on the employees at the work place in Narla Tata Rao Thermal Power Station in Vijayawada and kothagudem thermal power station in palavancha. It also sets to ascertain in organizational climate and its impact on trade unions among employees thereby maintaining human relations of the employees and workers in the power sectors. A total of 312 copies of questionnaires were administered to NTTPS and KTPS but a total of 244 questionnaires in NTTPS, and 108 in KTPS. The study was conducted through observation Method and Personal interview Method. The researcher used the SPSS 17.0 Version and statistical tools of Mean, Rank correlation, Factor Analysis to obtain the results. Finally the results shows an differences in employee opinion of union relations in two power sectors

KEYWORDS : Organisational climate, trade unions, NTTPS, KTPS.

INTRODUCTION

Organizational climate can be defined as a global perception of a set of organizational attributes that exerts a unitary main effect upon members attitude and behaviour. It is a subjective generalised view of the internal environment that is formed as a result of numerous experiences, interaction activities. It provides the basis for interpreting the particular situation and it issues from a fundamental human need to apprehend order in one's environment.

Organizational climate is similar in the concept of meteorological climate just as later, it is comprised of a variety of variables such as temperature, humidity, precipitation. Organizational climate is composed of factors such as friendliness, supportiveness and risk taking. Just a resident may describe the climate of South Western US as warm pleasant. Employee may characterise his or her organisation as being open and supportive. Such global conceptions are gradually formed over period of time as the person performs an assigned activity under the general guidance of superior and set of organizational guides. The subjective generalisation has impact upon the person's degree of satisfaction with the jobs as well as upon the level and quantity of his or her performance. Therefore, job satisfaction is very important in an organization because if employees are not satisfied, their work performance, productivity, commitment as well as the interpersonal relationships among the management and their subordinates tend to be lowered (Fajana, 1996). For instance, in an organization where work performance is not recognized through promotion and salary increases, productivity of employees tends to be lowered. In an effort to satisfy the needs of employees, many managers make use of incentive programmes, despite the fact that research has consistently confirmed that no amount of money will translate into sustainable levels of job satisfaction or motivation (Joyce and Slocum, 2004)

The organisational climate has influenced on the trade unions it has maintained the good industrial relations with the management employers, and workers. If the employee or a worker working in the organisation or any power sector they have to fight for their rights, needs, requirements to them. Even though in many organisation or power sectors has established many trade unions for the sake of the employees and workers. The needs of the employees or workers are not fulfilled by the management the employees and workers have gone for strikes and lock-outs through the help of trade unions. To reduce the drastic changes occurred in the power sectors the employers-employees and workers should maintain co-ordial relations maintain good industrial relations in the power sector.

UNION RELATIONS

Over the years, the trade unions have emerged as an essential feature of industry in every country. The main reason for their emergence is the factory system and capitalistic society. In the early stages of in-

dustrialization, there was lack of legal protection for workers. The workers felt exploited at the hands of employers. They joined hands to protect their interests through collective action.

As per the Indian Trade Union Act, 1926, the primary functions of a trade unions is to protect and promote the interests of workers and conditions of their employment. They can also have other objectives, which are not inconsistent with this primary purpose or opposed to any law. In India, the trade unions generally undertake the following functions.

1. To achieve higher wages and better working and living conditions for members
2. To acquire control over industry by workers
3. To minimize the helplessness of the individual workers by making them stand-up unitedly and increasing their resistance power through collective bargaining
4. To raise the status of workers as partners in industry and citizens of society
5. To generate self confidence among the workers
6. To encourage sincerity and discipline among the workers
7. To take welfare measures for improving the morale of the workers.
8. The National Commission on Labor has under the certain basic functions to which trade unions have to pay great attention such as
9. To secure fair wages for workers
10. To safeguard the security of tenure and improve conditions of service

NTTPS-NARLA TATA RAO THERMAL POWER STATION

Narla Tata Rao thermal power station is located on the left bank of the river Krishna at a distance of 2 km. and is between Irbahimapatnam and Kondapalli Villages and 16 km. of the north side of Vijayawada city in Krishna District Narla Tata Rao Thermal Power station complex consists of four stages. The first three stages (Stage – I, II, & III) have 2x210MW units and stage – IV of 500 MW.

- To achieve status as one of the best power stations in India by 2015 on the basis of performance.
- Continuously monitor the generation process to ensure compliance with the specified requirement of grid efficiently and economically.
- Ensure safety dependability and reliability of the electricity generation process in an environmentally sustained manner.
- Continuous improvement in process/system through up gradation of technology and skills and knowledge of employees by organizing regular training courses.

There has been progressive improvement in the performance of units from year to year not only in generation but also in availability and capacity utilization it begged "Productivity Awards" for the past 15 years continuously and has been awarded 'BEST HOUSE KEEPING PRIZE' For its cleanliness and neatness, another outstanding achievement is in the reduction of all consumption 3ml per unit generated during the year 1982-83 as against norms fixed by central electricity authority at 15ml per unit generated.

KTPS –KOTHAGUDEM THERMAL POWER STATION

The Kothagudem "A" Thermal Power Station (60MWX4units) is located on the outskirts of paloncha, which is 230km east of Hyderabad, the capital of AP State. Since it started operations in 1996, it has been playing a central role in thermal power generation by APSEB along with the more recently constructed Kothagudem "B" (110MWX2 units) and "C"(110M@x2units) thermal power station. However, as more than 25 years had passed since the completion, the "A" Power station had become depict that the output had decline to 50 MW/unit. Therefore it needed rehabilitation (modernization).

The objective was to ease power shortages expected to continue in Andhra Pradesh state by rehabilitating the boilers, turbines, and power generators of Kothagudem "A" Power station, and thereby contribute to economic development of the state.

VALUES OF THE KTPS

Excellence in all aspects of the company

1. Respect for the individual and personal growth
2. Tracking challenges and solving problems
3. Honesty, integrity and ethical business
4. People as the source of strength
5. Continual self improvement never being satisfied.

REVIEW OF LITERATURE

KHAN, MUHAMMAD TARIQ (2009) Purpose of this research was to explore the aspects of ORGANISATIONAL CLIMATE beyond education and training, and to explore the role of labor unions in ORGANISATIONAL CLIMATE by looking at the improvement in productivity and harmony at work place due to them. For this purpose, survey questionnaires on five point Likert scale ranging from very unsatisfied to very satisfied were designed and pre-tested. The study was carried out by taking a sample of 10 unionized organizations. In these organizations, 525 unionized workers, 90 temporary non-unionized workers and employers were interviewed to collect information on role of labor unions in securing benefits for workers and motivating them for higher productivity and peace at work place. Performance of unions was estimated in two aspects. One aspect was their success in securing benefits for workers and other was in protecting the interest of employers. The success of unions' in exerting efforts for securing benefits for workers was measured by satisfaction of workers which was dependent on 15 variables i.e. wage rise, fringe benefits, job security, time decrease, health facilities, children education, over time payment, working conditions, leaves increase, post retirement benefits, recreation facilities, training opportunities, decrease of wage differences, informing workers about their rights and workers' education. The success of unions' in exerting efforts for protecting employers' interest was measured by satisfaction of employers which was dependent on two variables i.e. productivity increase and work place harmony. The results of the study show that unions proved successful in securing benefits for workers and protecting the interest of employers though performance of unions needs to be improved by exerting more efforts

Rathzel, N. and Uzzell, D. (2010) Trade unions are actively engaging with the organizational climate agenda and formulating climate change policies. Although governments are placing considerable effort on changing consumer behaviour, arguably the most significant impacts on climate change will be through changes in production. Even changes in consumption will have consequences for production. Changes in production will affect workers through the loss of jobs, the changing of jobs, and the creation of new jobs. The jobs versus environment dilemma is a significant issue affecting workers worldwide. In this paper we focus on the ways in which international trade unions are conceptualizing the relationship between jobs and the environment, which provide the point of departure from which

climate change policies can be formulated. Extended interviews were conducted with senior policy makers in national and international trade unions. On the basis of their responses, four discourses of trade union engagement with climate change are discussed: 'technological fix', 'social transformation', 'mutual interests' and 'social movement' discourses, which were theorised in the context of the different international histories and models of trade unionism. All discourses imply a reinvention unions as social movements but do not see nature as a partner in human development.

Deery, Stephen J.; Iverson, Roderick D (2011). This paper utilizes the theoretical framework of to examine the relationship between organizational climate, organizational commitment and union loyalty trade unions and bank branch performance. Specifically, we investigate the factors that influence the development of a co-operative industrial relations climate, the impact of that climate on both organizational commitment and union loyalty, and how these and other variables (i.e., demographic, job related, organizational, union related, environmental and technological) affect branch level productivity, quality of service, absenteeism, and customer attrition. This research is undertaken in a large Australian based multinational banking organization. The data are drawn from 460 bank branches of unionized non-managerial employees across three time periods. The LISREL results indicate that a cooperative industrial relations climate was associated with significantly higher productivity and significantly lower absenteeism. In addition, both organizational commitment and union loyalty had positive impacts on productivity, with union loyalty also having a negative impact on absenteeism. Other explanatory variables that had significant total causal effects on productivity were job opportunity, union instrumentality (intrinsic), job satisfaction, procedural justice, union satisfaction, collectivist work orientation, gender (%female), openness, branch size, and branch transfer. Furthermore, we found that union instrumentality (intrinsic), collectivist work orientation, union satisfaction, and job opportunity had significant total effects on absenteeism. Finally, branch size displayed a direct negative effect on quality, while ATM transactions had a direct positive impact on customer attrition. The theoretical and practical implications of these findings for unions and organizations are discussed.

Maria Jesili (2012) An industrial dispute is a manifestation of a disagreement and a difference of opinion between the two disputants, namely the employer and the workmen. The potential for conflicts exist in all human situations and organizations. A passive and subdued workforce is not conducive for good relationships. The relationships in the industrial relations system start with cooperation, soon change between the two into conflicts, and after they are resolved, change again into one of cooperation. This changing process is a continuous feature of the industrial relations system. Industrial disputes arise due to various causes, which may be classified into economic, organizational, physical, technical, political, psychological and market-oriented conditions. The workers are especially interested in higher wages, congenial working conditions, and opportunities for career advancement, welfare facilities, job satisfaction and the like. When these are denied to them, the workers are forced to assert their rights, which then lead to industrial disputes. In the present economic scenario, there is a situation of rising input costs and declining output prices. Productivity improvement becomes imperative even to maintain the existing levels of profitability.

Dr. Thi Lip Sam (2013) A vast array of knowledge has been accumulated on organizational climate effectiveness and trade unions a in particular with a large number of studies over the past years. However, the effect of leadership of managers on some behavioral aspects of employees that are not in the immediate interest of managers in organizations is relatively unattended by the leadership researchers. The effect of organizational climate on union commitment of employees is such an issue that has been least attended by researchers. The objective of this study is to examine the effect flaws exist between transactional and transformational leadership, organizational climate, and union commitment of unionized employees. A sample of 380 employees from the 33 public sector organizations in Sri Lanka was drawn. The parallel model testing procedure based on Structural Equation Modeling (SEM) was used for testing the hypothesized models. The results revealed that organizational climate and trade unions has a direct effect and an indirect effect as well via union commitment organizational climate of employees.

NEED OF THE STUDY

The need of this study is focused on organizational climate and its impact of trade unions in two power sectors of NTTPS and KTPS. The purpose of this study discusses about how the trade unions impact on the employee relations in the two power sectors. The main reason for the emergence of the trade unions in the industries or in the power sector is for the legal protection of workers at the work place. The workers felt exploited at the hands of the employers. They joined hands to protect their interest through collective action. A trade union is an organized expression for the needs of the employees, their attitudes and expectations of the workers. A trade union signifies an organization of workers engaged in securing certain economic activities are not confined to mere securing the economic benefits. The purview of these activities now include even the political and welfare activities undertaken for the benefits of the members in the trade unions. The main aim of the trade union to establish in the industrial sectors for the workers to get economic security. They want steady employment in proper income. The unions take up the issues of layoffs or wage increase for workers with management and protect the interest of their members.

OBJECTIVES OF THE STUDY

1. To examine the Trade unions and its impact on organizational climate in NTTPS
2. To focus on the Management, employers and workers relations in power sectors of NTTPS &KTPS
3. To Offer suggestions relating to improve the Trade unions on organizational climate in NTTPS & KTPS.

METHODOLOGY OF THE STUDY

The study is carried out through primary and secondary data.

Sampling Design: The primary data was collected through survey

method. Survey is conducted using well formulated questionnaire. Stratified random sampling technique is applied to generating data. Samples for the purpose of the study are selected systematically. Total sample size is 352 respondents in two power sectors of NTTPS& KTPS. The sample size for the study is 244 respondents in NTTPS and 108 respondents in KTPS. All the sample size respondents will be interviewed by using stratified sampling method. In NTTPS Technical (Executives) are 86, Non Technical (Executives) are 12, Technical (Non Executive) are 5, Non Technical (Non Executives) are 16 and O&M are 125. In KTPS Technical (Executives) are 53, Non Technical (Executives) are 3, Technical (Non Executive) are 3, Non Technical (Non Executives) are 6 and O&M are 43.

Questionnaire Design: The primary data are collected through questionnaire method. The respondents are asked to give their opinion relating to employee work place relations. The first part of the questionnaire comprises personal and organizational details with optional questions. The second part includes statements relating to elements (variables) on employment relations with Likert's 5 point scale, of "1" represents strongly Dis-agree and "5" represents strongly agree.

Secondary Data: The Secondary data will be collect from Journals, Magazines, Publications, Reports, Books, Dairies, Periodicals, Articles, Research Papers, Websites, Company/Bank Publications, Manuals and Booklets.

Data Analysis: The primary data was collected and analyses by using Statistical Package for Social Sciences (SPSS) version 17.0 of computer packages.

To attain the objectives of the study, the data was tabulated and made the following analysis, statistical tools with Mean, Factor Analysis, Rank correlation was conducted.

TABLE 1 : UNION RELATIONS IN NTTPS KTPS

SL. No. 1.	COMPONENTS	NTTPS	KTPS	Rank correlation
		Mean	Mean	
1.	Union/association takes care of the employee general issues with great care and interest	3.1885	3.7500	NTTPS &KTPS r= (0.60) (Positive correlation)
2.	Union/association solve many of the employee problem by taking to the management	3.2131	3.7778	
3.	Union/association also concentrates on the employee individual issues	3.2336	3.7778	
4.	The management is very considerate to union/ association in discussing issues	3.3074	3.7778	
5.	Union/association relation with the management are very cordial	3.1270	3.7500	
6.	Union/association can get things done by using any of the dispute solving procedure	3.1967	3.7778	
7.	Based on the assessment union/association is a must to the employee	3.2131	3.7593	
8.	The employee can say that even without union/ association indulgence can get along with the Thermal Power sector	2.4877	3.4074	
9.	Overall Union's association relations with the Thermal Power sector are positive	3.1025	3.7778	
10.	Employees participation in the union/association is active	3.0697	3.7500	
11.	The employee participation in the unions/ association is active	3.0984	3.7500	
12.	Union/association creates such atmosphere where members can take active participation	3.1230	3.7778	
13.	Union/association leaders are very considerate and democratic	3.0246	3.7778	
14.	Union/association encourages work ethic and productivity	2.9590	3.7778	
15.	Overall Union/Association is effective in dealing with issues	2.9631	3.7500	
16.	If The employee have no union feel that a union is necessary	3.0779	3.7778	

ANALYSIS

In the above table the researcher has used the statistical tool of Mean to discuss about the average value for the opinion of the respondents. In the NTTPS &KTPS the mean value of the respondents in NTTPS& KTPS is between 2.0 to 4.0, it indicates that 2.0 the employees are dissatisfied with the Trade unions in the power sectors and between

3.0 to 4.0 the employees are satisfied with the Trade unions in NTTPS & KTPS. The employees are satisfied with the union relations in the power sector.

In NTTPS & KTPS there should be Positive Correlation regarding to the Union Relations

Table 2: UNION RELATIONS IN NTPPS & KTSP BY USING FACTOR ANALYSIS

NTPPS							KTSP					
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cummulative %	Total	% of Variance	Cummulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.251	17.313	17.313	2.251	17.313	17.313	2.423	18.635	18.635	2.423	18.635	18.635
2	1.788	13.757	31.070	1.788	13.757	31.070	1.661	12.777	31.412	1.661	12.777	31.412
3	1.588	12.214	43.284	1.588	12.214	43.284	1.603	12.327	43.739	1.603	12.327	43.739
4	1.311	10.087	53.370	1.311	10.087	53.370	1.512	11.631	55.370	1.512	11.631	55.370
5	1.112	8.556	61.926	1.112	8.556	61.926	1.181	9.083	64.453	1.181	9.083	64.453
6	.843	6.481	68.407				.919	7.066	71.519			
7	.769	5.919	74.326				.739	5.682	77.201			
8	.677	5.204	79.530				.698	5.371	82.571			
9	.637	4.900	84.430				.563	4.327	86.898			
10	.566	4.354	88.785				.528	4.063	90.962			
11	.537	4.131	92.916				.485	3.730	94.692			
12	.491	3.778	96.694				.365	2.809	97.501			
13	.430	3.306	100.000				.325	2.499	100.000			
14	2.251	17.313	17.313				2.423	18.635	18.635			
15	1.788	13.757	31.070				1.661	12.777	31.412			
16	1.588	12.214	43.284				1.603	12.327	43.739			

Extraction Method: Principal Component Analysis.

ANALYSIS

The table discusses about the Union Relations in NTPPS, KTSP. Out of 19 impact factors of these unions relations 5 impact items are supported in NTPPS, 5 impact factors are supported in KTSP, 8 impact factors are supported in NTPPS, 6 impact factors are supported in NTPC. The cumulative value of NTPPS is 61.926, KTSP is 64.453. In the Union relations 5 attributes has influenced on the NTPPS, 6 attributes has influenced on KTSP, "Your Union/Association take care of your general issues with great care and interest", "Your Union/Association take care of your general issues with great care and interest", "Your union/association solve many of the employee problems by taking them to the management." "Your Management is very considerate to your union/association in discussing issues", "Your union/association can get things done by using of the dispute solving procedure", "Based on the assessment union/association is a must to the employee", "You can stay that even without union/association indulgence you can get along with your company".

FINDINGS OF THE STUDY

1. The union/association take care of general issues with great care and interest in NTPPS.
2. Union/association should solve many of the employee problems by informing to the management in KTSP
3. The management should be considerate to in union/association in discussing issues in NTPPS & KTSP.
4. The union/association can get things done by using any of the disputes solving procedure in NTPPS.
5. NTPPS and KTSP need to take a decision based on the assessment the employees.
6. NTPPS that union/association should creates healthy atmosphere where members for active participation.
7. NTPPS union/association encourage work ethic and productivity for employees

SUGGESTIONS

1. Trade unions should develop co-operative attitude towards

management and responsible for the trade union leadership has caused a drastic reduction in strikes and absence of lock out.

2. The trade unions would be advisable to reinforce trust and sensitivity among workers and management. By providing counseling programmes to the employees and workers in the organization
3. The management should increase worker participation develops a sense of belongingness and oneness to all the employees in the organization. The power sectors arranged the meeting to the employees and workers to increase worker participation.
4. The trade union organize and conduct the educational campaigns like counseling and training to the employees, designed to improve productive efficiency for better distribution of work load, technical adjustment, labour participation in forms of work councils helping in the process of adjustment and integration of workers.
5. Trade unions have a special responsibility to take up issues with the management. Equality of treatment at work or hiring, promotions, transfers, provision of maternity benefits, along with wider issues having implication for the entire work force were taken care in the negotiation of existing unions.

CONCLUSION

The study of the climate in organization is necessary for any power sector or industry required to establish trade unions. All these factors determine the effectiveness of the organization. When employees are fulfilled with requirements provided by the trade unions and they feel committed to the organization. Their productivity will also be higher. Thus, good organizational climate is instrumented to higher employee satisfaction, better human relations with the employees, Thus, climate has an important influence on performance and satisfaction of the employees. If the climate is favorable, there would be greater organizational effectiveness and leads to the healthy atmosphere and good human relations shall be maintained in the power sector.

REFERENCES

1. KHAN, MUHAMMAD TARIQ (2009) Industrial Relations : Role of Trade Unions in Organizational Climate in Pakistan's Perspective. PhD thesis, National University of Modern Languages, Islamabad. | 2. Rathzel, N. and Uzzell, D. (2010) 'Trade Unions and Climate Change: The Jobs versus Environment Dilemma', *Global Environmental Change*, 21, 1215-1223 | 3. Deery, Stephen J.; Iverson, Roderick D. (2011) *The Impact Of Industrial Relations Climate, Organizational Commitment, And Union Loyalty On Organizational Performance: A Longitudinal Academy of Management Proceedings & Membership Directory*; 1999, pC1 | 4. Maria Jesili 2012 *Industrial Disputes, Causes And Settlement: An Indian Perspective* Prabandhan : Indian Journal of Management, Volume 5, Number 12, pp. 5 - 14 | 5. Dr. Thi Lip Sam (2013) *Trade Union and Organizational climate International Journal of Business and Social Science* Vol. 4 No. 6; June 2013 |