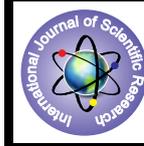


## Impact of Unionism on Industrial Relation in Perambalur Sugar Mills Ltd., Eriyur , Perambalur Dist



### MANAGEMENT

**KEYWORDS:** Trade union,  
employer, employee, organizational  
environment

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### ABSTRACT

There is a perfect correlation exists between industrial relation and Unionism. The industrial relation is a dependent variable and output which is depending upon several variables and one among is the unionism. The unionism is being influenced by several factors such as interrelationship between employees and employers, the attitude of both segments, [employers and employees] and the overall environment of an organisation. The union is acting as a representative of the employees and they are bringing the problem and issues of the employees with employers' knowledge. In this article is concerned the performance of trade unions in this particular organisation is giving overall satisfaction to the employees and infact they are appreciating the performance of trade unions. Due to there move each and every worker of these organisation to interested to involve as an active member of any one trade union.

### INTRODUCTION

The Industrial revolution, which took, place during the 18th & 19th centuries, had played a major role in the concept of industrial relations. The master-servant relationship in a concern was totally disturbed. In the later years acceleration in industrialization paved the way for a very complex and impersonal relations between the workers and employers. The workers were treated as a mere commodity that could be easily exchanged. The workers were treated in an ill-mannered fashion, poor salary, unduly long hours, unhealthy working conditions marked the life of the workers.

The Trade Unionism trend can be seen in any organization today. The earliest stage was the development of the skilled craft union associated on an occupational basis. Later the general labouring and unskilled classes were organized largely on industrial scales; recently associations have arisen of clerical, supervisory, administrative and professional workers.

At the end of 2005 there were 25,600 registered trade unions in India with 43677564 members. Nearly half of the total membership was in the six largest unions: The Transport and General Workers' Union, the Amalgamated Engineering and Foundry Workers' Union, the National Union of General and Municipal Workers, the National Union of Mineworkers, the Union of Shop, Distributive and Skilled workers, and The Electrical Electronic, Telecommunication and Plumbing Union.

In most large national unions the main problem is to reconcile and combine the efficiency of a strong central administration with the principle of democratic control. To this end regional, district and area committees meet regularly. Smaller unions may combine into federations on an industry basis, usually for negotiations with employers.

The overall co-ordinating body and center of the movement has been the Trade Union Congress, since its inception in 1868. Its basic aim is to promote the interests of its 126 affiliated unions, representing 10 million members, and to improve the economic and social conditions of all workers. It thus deals with problems affecting particular trades and general industry at home as well as broader international policy. T.U.C. is appropriately recognized by the Government as the official means of consultation between its departments and organized employees.

Trade unions are basically set up for the protection and promotion of interests of the members and workers in particular. Their main aim is to take care that the work given by the employer does not exceed the limits. They are entitled to take into the welfare and uplift of the workers. Trade unions mainly concentrate on the following objectives.

#### Steady Employment

- Rationalization of Personnel Policies
- Voice In Decisions Affecting Workers

- Recognition and Participation
- Gaining Legislative Enactments
- Miscellaneous Services

It is a known fact that, Growth of an industry is facilitated by the trade union movement, but still it is in its formative stage suffering from several setbacks. The following could be some of the weaknesses that need to be remedied.

- Absence of unity among the trade unions due to political rivalries.
- Multiplicity of trade unions.
- Lack of co operation among trade unions even on trivial issues.
- Inability to be self-reliant.
- Having discussed the benefits of the trade unions there are also certain disadvantages:
- The workers can be misguided by trade unions due to political motives and objectives.
- Encouragement of inefficiency results in lower productivity and profitability.
- Sometimes the union forces the workers to join strikes against the company.
- To induce workers of other industries to make demands, though unreasonable.

#### OBJECTIVE OF THE STUDY

To find out the impact of unionism on industrial relations.

#### REVIEW OF LITERATURE

Survey and analysis of previous literatures are the two important parameters to draw out a better understanding and insights about the selected problem. The literatures are the yardstick and they are only capable of guide the research work in proper direction and dimension.

Since this study is about Industrial Relations, it would be appropriate to define the concept of Human Relations. John F. Mee defines, "Human Relations is a medium through which both employees and the company mutually co-operate to achieve more production through high morale which after all is the economic purpose of all business and industries."

Ajala.E.M. 2003; Alimba, (2010) stated that, unions and management tend to have opposite views because of the divergence between the expectations of management and labour in organizations which often leads to conflicts. Conflict by nature is a constant phenomenon in any human organization. It is so ubiquitous in social life that it has been isolated by some as the basic unit for understanding social existence.

Akanji.T.A. (2005) informed that, industrial conflicts on the other hand are viewed as the clash of interest and resulting disputes of varying intensity between individuals, groups and organizations in the industrial relations system.

Onyeonoru.I.P. (2005) who holistically defined industrial conflict as all expressions of dissatisfaction within the employment relationship especially those pertaining to the employment contract and effort bargain? He expatiated further that it includes formal expressions of conflict, organized along the lines of trade unions and employers associations as well as the informal conflict that lack systematic organizations such as covert grievances that may be expressed in the form of industrial sabotage, absenteeism, or lateness.

According to Section 2[b] of the Trade Unions Act of 1926, "a trade union is any combination of persons, whether temporary or permanent, primarily for the purpose of regulating the relations between workers and employers, or between workers and workers, and for imposing restrictive conditions on the conduct of any trade or business, and includes the federation of two or more trade unions. "Is an important service organization for the employees which enabling a group, a class in industry or trade to bargain with any other class or group on equal footing.

Gomez-Mejia.et al (2005) stated that, industrial organizations for their survival in competitive market condition have given emphasis on gaining support from employees, mutual trust and confidence building, importance on unions, improved career and salary tracks, retirement benefits, and retraining measures.

Pettinger.R. (1999) opined that, now trade unions are adopting a cooperative attitude towards the management in contrast to the previous confrontationalist attitude. At the core of this, it is a fundamental shift in the relationship between employers and trade unions, following the gradual realisation that the interests of all are the best served through harmonious rather than adversarial industrial relations.

Srivastava.C.M. et al (1998) depicted that, effective employee relations in any business unit achieved through rewards and recognition, transparent communication system, proper care towards employee grievances.

Taylor, (1998) stated that, presently the influence of technological innovation, work restructuring, and job redesign are helping to reshape shop floor attitudes among managers, unions and workers.

#### • METHODOLOGY

A study of labour management relations is significant in the sense that without smooth, cordial, peaceful and harmonious labour management relations and organization cannot function effectively and cannot contribute its mite to the welfare of its workers and the progress of the nation.

A good industrial climate is essential for the expansion of industry. It has been increasingly realized that the industrial system has brought about numerous complexities. Higher living standards encourage demand for luxuries and services.

#### SAMPLING METHOD

Methodology is aimed to bring out the sequences followed in research and manners of carrying out the survey and compilation of data. Random sampling techniques were employed in this article bring together the data from various employees belonging to several departments. Data have been collected from primary and secondary sources.

The questionnaire was prepared, to collect required information from respondents suitable statistical techniques were used for the data processing and analysis. The primary data were collected through the questionnaire and by the interview method. The questionnaire covers placement and development of employees, wage and salary administration, industrial disputes, health, safety and working conditions and impact of Trade union.

#### TOOLS USED

Simple percentage analysis is used in this article

#### LIMITATIONS OF THE STUDY

The study attempts to examine and assess the impact of union-

ism on industrial relationship in Erarayur sugar Industry Limited, Perambalur. The scope is limited to a study of 200 employees chosen at random. It can be considered as a case study, since it takes into account Erarayur Sugar Industry only. Hence, the result cannot manifest problems pertaining to the whole lot of labour. Most of the information has been collected from primary and secondary sources.

There might be personal bias in the information and in the opinion of the employees. During the interview, some employees hesitated to express their feelings and opinions. This limits the validity of the facts discussed here

#### • RESULTS&DISCUSSION

##### ACHIEVEMENTS OF TRADE UNIONS.

The major achievements of the trade union movement have been the reduction of working hour's enhancement of wages and improvement of working conditions. The principal methods have been collective bargaining and resorting to strikes in cases of strong feeling or deadlock. It has exerted great pressure on parliament. The Trade Union Congress is constantly campaigning for labour interests. It has politically educated the working classes

**TABLE-I**  
**OPINION ON TRADE UNION.**

S. No.	Opinion	Worker Respondents	%	Managerial Personnel Respondents	%
1	Good	85	56.67	35	70.00
2	Satisfactory	31	20.67	10	20.00
3	Poor	34	22.66	05	10.00
Total		150	100.00	50	100.00

##### Source: Primary data

The above table clearly indicates that 77.34 percent of the worker respondents have a good opinion of the functioning of the trade union in the sugar industry. They feel most of the problems are solved through the trade union. 22.66 percent of the respondents have a poor opinion of the functioning of the trade union. They feel that the trade unions create unnecessary problems by placing unjustified demands before the management. 90 percent of the managerial personnel respondents have good opinion about the functioning of the trade union in the sugar industry. They feel most of the problems are solved through the trade union and employees rights. 10 percent have a poor opinion about the functioning of the trade union. They feel that the trade union creates unnecessary problems by making unfair demands on the management.

**TABLE-II**  
**ATTITUDE OF TRADE UNION LEADERS TO STRIKES.**

Opinion	Worker Respondents	%	Managerial Personnel Respondents	%
Compromising nature	114	76.00	45	90.00
Aggressive nature	36	24.00	5	10.00
Total	150	100.00	50	100.00

##### Source: Primary data

The above table clearly reveals that 76 percent of the worker respondents and 90 percent of the managerial personnel respondents have reported that the trade union leaders have compromising nature in their dealings with the problem of strikes. 24 percent of the worker respondents and 10 percent of the managerial personnel respondents feel that the trade union leaders are at times aggressive in their dealings with the management during the period of strikes. It can, thus, be safely concluded that, on the whole, the trade union leaders are not aggressive but they are always of a compromising nature and attitude.

#### • STRIKES OR OTHER WORK STOPPAGES

There were a few strikes in the Perambalur Sugar Mills Limited a strike in February 1985 for three days, and another for

eleven days in March 1987; there was a third strike in February 1988 for nine days and December 1993 for two days. All these strikes were organized before the period of this research study i.e.2001-02 to 2010-11. During the study period there was only one strike for five days in December 2010.

**TABLE-III**  
ATTITUDE OF EMPLOYEES TOWARDS STRIKES AND OTHER WORK STOPPAGES.

Opinion	Worker Respondents	%	Managerial Personnel Respondents	%
Problem solving	105	70.00	40	80.00
Not Solution to problem	45	30.00	10	20.00
Total	150	100.00	50	100.00

Source: Primary data

From the above table clearly shows that the 70 percent of the worker respondents and 80 percent of the managerial personnel respondents are have problem-solving attitude. 30 percent of the worker respondents and 20 percent of the managerial personnel respondents choose to disagree with the opinion of the majority. They report that the management had adopted an attitude of indifference towards the settlement of strikes and other work stoppages. It can thus, be observed that there is no consensus on the issue of the attitude of the management towards strikes etc.

**TABLE-IV**  
IMPACT OF STRIKES AND OTHER WORK STOPPAGES STRATEGIES

Opinions	Worker Respondents	%	Managerial Personnel Respondents	%
Poor relations	72	48.00	25	50.00
Damages to property	38	25.33	10	20.00
Clashes among workers	20	13.33	08	16.00
Waste of Raw Materials	20	13.34	07	14.00
Total	150	100.00	50	100.00

Source: Primary data.

The above table clearly shows that the 48 percent of the worker respondents and 50 percent of the managerial personnel respondents have reported that strikes cause friction in the labour management relations. 25.33 percent of the worker respondents and 20 percent of the managerial personnel respondents feel that the property owned by the Sugar Factory will be damaged during strikes. 13.33 percent of the worker respondents and 16 percent of the managerial personnel respondents have reported that there are chances for clashes among the workers. And 13.34 percent of the workers respondents and 14 percent of the managerial personnel respondents feel that there is partial or complete waste of raw materials during any strike.

**TABLE-V**  
MEANS OF SETTLEMENT OF DISPUTES.

Opinion	Workers Respondents	%	Managerial Personnel Respondents	%
Through Collective bargaining	69	46.00	20	40.00
Conciliation	16	10.67	10	20.00
Works Committee	50	33.33	12	24.00

Joint - Management Councils	15	10.00	08	16.00
Total	150	100.00	50	100.00

Source : Primary data

The above table clearly indicates the way of settlement of disputes. 46 percent of the worker respondents and 40 percent of the managerial personnel respondents feel that the disputes should be settled through collective bargaining. 10.67 percent of the worker respondents and 20 percent of the managerial personnel respondents feel that the disputes must be settled through conciliation. 33.33 percent of the worker respondents and 24 percent of the managerial personnel feel that the disputes must be settled through Works Committee. 10 percent of the workers respondents and 16 percent of the managerial personnel respondents gave their opinion that the disputes are settled through Joint Management Council.

**TABLE-VI**  
OPINION ABOUT SETTLEMENT OF DISPUTES.

Opinion	Workers Respondents	%	Managerial Personnel Respondents	%
Satisfied	120	80.00	43	86.00
Dissatisfied	30	20.00	07	14.00
Total	150	100.00	50	100.00

Source : Primary data.

The above table indicates that the 80 percent of the worker respondents and 86 percent of the managerial personnel respondents feel that they are satisfied with the settlement of disputes. 20 percent of the worker respondents and 14 percent of the managerial personnel respondents feel that they are dissatisfied with the settlement of disputes.

**TABLE-VII**  
SATISFACTION WITH THE SETTLEMENT OF DISPUTES

Reason	Worker Respondents	%	Managerial Personnel Respondents	%
Keeping good relations	50	41.67	20	46.51
Avoidance of loss	40	33.33	15	34.88
Time Saving	30	25.00	08	18.61
Total	120	100.00	43	100.00

Source: Primary data.

The above table indicates that the 41.67 percent of the worker respondents and 46.51 percent of the managerial personnel respondent have reported that they are maintaining good labour-management relations through the settlement of disputes. 33.33 percent of the workers respondents and 34.88 percent of the Managerial personnel respondents feel that the loss of production and damage property has been avoided. 25 percent of the workers respondents and 18.61 percent Managerial personnel respondents feel that time is saved through the quick decisions and settlement of disputes.

**TABLE-VIII**  
DISSATISFACTION WITH THE SETTLEMENT OF DISPUTES

Reason	Worker Respondents	%	Managerial Personnel Respondents	%
Show process	15	50.00	03	42.86
Rigid procedure	10	33.33	03	42.86
Political interference	05	16.67	01	14.28
Total	30	100.00	07	100.00

**Source: Primary data**

The above table shows that 50 percent of the worker respondents and 42.86 percent of the managerial personnel respondents feel that the settlements of disputes are a slow process. 33.33 percent of the worker respondents and 42.86 percent of the managerial personnel respondents feel that there is a rigid procedure for the settlement of disputes. And 16.67 percent of the worker respondents and 14.28 percent of the managerial personnel respondents feel that there is political interference in the settlement of disputes.

**INTER- UNION RIVALRIES**

In Perambalur Sugar Mills Limited, there are three recognized unions functioning actively viz. Political parties (ruling and opposite parties), and I.N.T.U.C. All the worker respondents and managerial personnel respondents of the Perambalur Sugar Mills Limited are of the firm opinion that there are no inter-union rivalries in their Company and that these three unions are striving their best for the common benefit of the workers.

**INTRA -UNION RIVALRIES**

A good number of worker respondents and managerial personnel respondents of Perambalur Sugar Mills Limited have confirmed that there are intra-union rivalries in Political Unions functioning in this sugar industry.

**TABLE-IX**  
**INTRA-UNION RIVALRIES.**

Reason	Worker Respondents	%	Managerial Personnel Respondents	%
The struggle for leadership of the union	50	33.33	22	44.00
Caste conflict	30	20.00	12	24.00
Religious factors	16	10.67	10	20.00
Selfish motives of the trade union leaders	54	36.00	06	12.00
Total	150	100.00	50	100.00

**Source: Primary data**

The above table clearly reveals that the 33.33 of the worker respondents and 44 percent of the managerial personnel respondents feel that the intra union rivalries are created because of the struggle for leadership of the union. 20 percent of the worker respondents and 24 percent of the managerial personnel respondents feel that the caste conflict is the reason for the intra union rivalries. 10.67 percent of the worker respondents and 20 percent of managerial personnel respondents feel that there are intra-union rivalries i.e Political parties (ruling and opposite parties), due to religious factors. The rest of the 36 percent of the worker respondents and 12 percent of the managerial personnel respondents are of the view that the selfishness of the trade union leaders is the main reason for this problem.

**• PARTICIPATION OF WORKERS IN UNIONS.**

All the worker respondents and managerial personnel respondents of the Perambalur Sugar Mills Limited, under study have reported that almost all the workers are members of one union or another. Further the worker respondents have not reported any active involvement of workers in any of the activities of their union other than their membership.

**FINDINGS**

- A Majority of the worker respondents and managerial personnel respondents are satisfied with the trade union functioning in the Mills.
- 73.33 percent of the worker respondents and 85 percent of the managerial personnel respondents are satisfied with the workers participation in management.
- 80 percent of the worker respondents 86 percent of the managerial personnel respondents are satisfied with settlement of disputes in the Sugar Mills, without resorting to any strike or stoppage. The trade union leaders, too, have a compromising nature. There is not much of inter union rivalry, but there is some kind of in-fighting within the same union.
- A Majority of both the worker and managerial personnel respondents are satisfied with the grievance handling mechanism. In a democracy country like India political interface in all fields of activity is very common. Since the Sugar Mill is a State Government undertaking politics cannot be kept away. A good number of employees have expressed the view that there is political interference at various stages of the functioning of the Mill.

**SUGGESTIONS**

- Both the trade union and the management should develop constructive attitudes towards each other and work towards organizational goals. The management should recognize the fact that trade union represents the interests of the workers and union should recognize the management is the custodian of the workers.
- Periodical meetings of representatives of employees and employers should be convened to resolve the disputes among themselves. It is suggested that the management and employees see to it that political intervention is minimum order to maintain good labour-management relations.
- Tolerance and unbiased movement among the union members is almost required.

**EPILOGUE:**

Active participation of employees in to any trade union is purely determined by the united performance and unbiased activities of there trade unions. The same time, the active performance of any trade union is not only with the hands of trade union, the member of the trade unions, management have to extant their solid co-operation to the respective trade union in case of any problem or issues. The outcomes of this article are indicating that, the majority of the members of trade unions of this organisation are getting significant satisfaction over the performance of trade unions. More over the problems and issues of this organisation are settled in due course. So the trade union of this organisation is performing according to the expectation of its members.

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