

## A Study on Role and Activities of Trade Union in Lamina Foundries Ltd.



### Social Science

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### ABSTRACT

*Trade unions play a significant role in directly shaping people's working lives in India. A Trade union is an organization of workers, acting collectively, who seek to protect and promote their mutual interests through collective bargaining. This paper focuses on plant level trade unions, particularly the Lamina Foundries Limited, Nitte. This exploratory study of the trade unions operational at the Lamina Foundries Limited plant and will also highlight their contribution to meet welfare needs, employees' performance and productivity. The study reflects to the changing paradigms in the roles of plant-level unions: from maintaining good industrial relations, once considered their primary role, they now work actively to improve the quality of life of workers, a role earlier considered to be secondary. The 100 respondents were selected by using disproportionate stratified random sampling.*

### Introduction:

A trade union is an organisation of workers for the purpose of securing diverse range of benefits for them. However these days' trade unions activities are not confined to mere securing the economic benefits. The purview of its activities now includes even the welfare activities for the benefits of its member. A union functions collectively to protect and promote the interest of its member within a given socio-economic system.

Different people look upon a trade union from different viewpoints. Primarily, trade union are organisation of workers which work for the maintenance and enhancement of these economic status by insisting on a size in money, wages and improvement in working conditions, other facilities and benefits. Besides these economic objectives, there are other dimensions of trade unions which have gained importance in the context of the changing socio-economic environment. The worker is not only a factor of production but also an individual whose total life situation is a matter of concern for the trade unions. Gandhiji viewed the trade unions should not only under take the functions concerned with improving the economic conditions of workers, but must also try to raise the moral and intellectual standards of labour and should bring about an all-round development through internal efforts.

Trade unions are considered to be installations experimenting with industrial democracy, which would strengthen democratic forces and help in the functioning of political democracy. Traditionally trade unions have been resistance organisations defending the interests of workers and see to it that they are not exploited. They have also been viewed as instruments of change in the socio-political system so that workers may have their own government and prevent their exploitation. The concept of trade unions may be clear by explaining it, in relation to industrial democracy co-operation, the political system and socialism.

Trade unions in India have come a long way since the first organized trade union - the Madras Labour Union, one of the earliest unions, was formed in 1918. India now has more than 84,642 registered (as well as countless unregistered) trade unions. The primary function of a trade union is to promote and protect the interest of its members (Perlman, 1928; Hoxie, 1921).

### This can be summarised as follows:

- i. To improve working and living conditions and to represent workers' interests in various fora (Freeman & Medoff, 1984).
- ii. To offer responsive cooperation in improving levels of production and productivity, discipline, and high standards of quality.
- iii. To secure fair wages for workers. Madheswaran and Shanmugam (2003) have analysed the impact of trade unions on

wages by estimating the union-non-union wage differential using a single wage equation, treating unionism as a dummy. They estimate that workers within the union sector earn 19% more than the workers in the non-union sector.

- iv. To enlarge opportunities for promotion and training.
- v. To promote identity of workers' interests with their industries.
- vi. To cooperate in and facilitate technological advancement by broadening workers' understanding of underlying issues.

### Company Profile:

Lamina Foundries Ltd was incorporated in March 1981 as a public limited company the promoters of which were Mr. N. Vinay Hedge, Chairman, Lamina Group of Companies, Mr. Shenoy and Mr Guruprasad Adyanthaya. The Company was established for the purpose of setting up a fully automated and mechanised foundry mainly for the manufacturing of automobile brake drums. The company's production unit is situated on a land of 16 acres and spread in a built up area of 65,000 sq.ft at Nitte, a village 60 km away from Mangalore city on Mangalore-Kudremukh highway which is a industrially notified backward area.

### Methodology:

#### Motivation of the study:

The researcher selected trade union for her study because as student in 2004 there was a curiosity to know more about working of trade union in a rural areas where usually knowledge about the union is less.

#### Objectives:

- To know the contribution of the trade union in meeting welfare needs of the workers.
- To study the impact of trade union on employees performance and productivity
- To know day-today working of trade union

#### Scope of the study:

The company has the total workforce of 423, which does not cover contract/ casual workers. However for the purpose of the study, only trade union members are considered.

#### Sampling technique:

There are 310 union members working in lamina foundries ltd out of them researcher have selected 100 respondents using disproportionate stratified random sampling techniques. It is disproportionate sampling because the number of sample taken from each department are not equal and they very according to the varied number of strength of employees in each department.

#### Data collection:

A tool is an aid with which necessary and relevant data regard-

ing the subject is collected systematically. The method followed in this study is interview schedule. The secondary data are collected from the books, company profile and the register.

**Results:**

**Age of respondents:**

The 10% of the respondents are 15-25 years of age, 40% of the respondents are 25-35 years of age, 30% of the respondents are 35-45 years of age and 20% of the respondents are 45 and above years of age.

**Educational qualification:**

Educational level plays very important role in work to understand the working environment. 45% of the respondents were studied up to primary education and 55% of them studied up to secondary education. A clear indication that the job description of the respondents does not require employees with higher qualification.

**Year of experience:**

Service plays a very important role in knowing about the union activities. 45% of respondents are 5-10 years, 30% of respondents are 10-15 years of service, 15% of respondents are 15-20 years of services and 20% of the respondents are 20 and above years of service.

**Table 1 showing role of trade union in meeting welfare needs of member:**

Welfare facilities:	Yes	No	I don't know	Total
Counselling services	5%	85%	10%	100%
Training programmes	50%	45%	5%	100%
Medical and first aid	70%	25%	5%	100%
Sports and Cultural programmes	0	75%	25%	100%
Canteens	80%	15%	5%	100%
Rest Room	75%	20%	5%	100%
Facilities for setting, storing and drying clothes	0	60%	40%	100%

Role of trade union can be considered in terms of contributions to the welfare of their members, industrial peace, and democratic processes in industrial relations, productivity, and economic and social progress in relation to guidance counsellor in the industrial setting. 85% of the respondents have negative attitude towards providing schools and counselling services by the union trade to ensure standard of living. 50% of them opined that training programme will be organised by the trade union to ensure standard of living. 70% of the respondents were opinion that trade union ensures standard of living by providing medical and first aid facilities. Livingstone and Raykov (2005) has squeezed many studies and expressed that both formal and informal learning are deeply embedded in many union cultures. By making a comparative case study of five different union locals they also clearly showed that unions with the most concentrated memberships and strongest bargaining power tend to have the highest incidence of both training courses and involvement in job-related informal learning.

75% of respondents were the opinion that trade union is not ensuring the standard of living by giving chance in sport and cul-

tural programme. 80% of the respondents were the opinion that trade union ensures the standard of living by providing canteen facility. 75% of respondents were the opinion that trade union ensures the standard of living by providing rest rooms. 60% of the respondents were the opinion that trade union is not ensuring the standard of living by providing facilities for setting, storing and drying clothes.

The Indian Trade Unions have miserably failed to provide welfare to its own community has study indicates that only 10% of the respondents highly satisfied with welfare activities done by the trade union.

**The impact of trade union on employees' performance and productivity**

Only 35% of the respondents have opinion that trade union safeguards healthy working conditions but 85% of them opined that unions are motivating members to increase productivity in the factory by having communication with management (60%), facilitating communication between management and worker (50%) and involving in HRD functions of organisation (85%).

It is concluded that unions besides seeking benefits for their members under collective bargaining also take part in the activities of human resource development by exerting efforts for training and education of workers. Organizations with an HR function strategically involved and with higher degree of union presence have more person-centred HRM practices, while performance-centred HRM practices were positively influenced by HR function strategic role.

**Functions of trade union**

The union collects amount of Rs. 125 as yearly fees. The representatives are elected on democratic principle. Trade unions opinions were considered in domestic enquiry (95%) but not in recruitment process (95%). Majority of respondents agreed that representatives are elected for one year and 90% of them are satisfied with overall functioning of trade union in Lamina Foundries.

**Suggestion:**

Based on findings these suggestions can be implemented to improve overall functioning of trade union in Lamina Foundries Ltd Nitte.

- There is need to conduct training programmes
- Documentation of each and every event is necessary for improve functioning of union.
- Union should play important role

**Conclusions:**

The trade union are wrongly perceived by rural employees that its meant for only militant functions like strikes but it has functions relating to trade unions where employees are safeguarded against all sort of exploitation, to ensure healthy, safe and conducive working conditions and to exert pressure, on the government to enact legislations conducive to the development of trade union and their members.

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