A CONCEPTUAL STUDY ON FACTORS AFFECTING INDUSTRIAL RELATIONS

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ABSTRACT

Every organization is established with certain objectives in the present and the past. The efforts are put in different activities to achieve the predecided objectives. The objectives were not difficult to achieve in past due to stable business environment. In last few decades the global business has undergone drastic changes in social, cultural, political, legal, economy, physical, technological and competition areas. Industrial relations are crucial factor for the smooth business of any organization, the objective of this paper is to present about factors affecting industrial relations apart from the industrial relations concept.

KEYWORDS: IR, Factors, Industrial Relations, global business, employees

INTRODUCTION

Every organization is established with certain objectives in the present and the past. The efforts are put in different activities to achieve the predecided objectives. The objectives were not difficult to achieve in past due to stable business environment. In last few decades the global business has undergone drastic changes in social, cultural, political, legal, economy, physical, technological and competition areas. Management proposes and situation deposes in achieving the objectives. Organization performs its task with the help of resources such as men, machine, materials and money. All are important in their places. Manpower is a live resource and others are non-living resources. People are the real assets of an organization provided treated well they can take organizations to a commanding heights. Two plus two can be four or even ten. Peter F. Drucker1 said the resources stand under the laws of mechanics. They can be better utilized or worse utilized, but they can never have an output greater than the sum of the inputs… Man alone of all the resources available to man, can grow and develop.

Industrial relations” may be defined as the processes by which human beings and their organisations interact at the workplace and, more broadly, in society as a whole to establish the terms and conditions of employment. Thus industrial relations system is seen to involve important aspects of the social, economic, and legal systems of a country as they relate to the

1 Subramanyam DAR Human Resource Development Issues, challenges and strategies, pp 1-2
industrial workplace and the relationships among employees and managers.

Industrial relations constitute one of the most delicate and complex problems of modern industrial society. The fact that the destiny of industrial development of a nation largely depends upon the industrial relations which need not be over emphasised. The creation and maintenance of good relations between the management and employees are the very bases on which the development of an industrial democracy depends which in turn, seeks to gain the co-operation of the two partners in industry in the field of production and promotes industrial peace. An industry can function satisfactorily only if the relation between the workers and management is cordial with the co-ordination and cooperation. Elton Mayo has appropriately remarked that industrial harmony is critical not only to continuous industrial peace but also to the continuity of a stable society.

**Review of Literature:** The review of literature has been done in order to assess the importance of Industrial relations and its impact on employees and management, there is very few studies conducted so far in these areas however, a few important studies have been presented here.

Tarakeswara Rao T³. (2013) in his article Working of Trade unions and Industrial relations in APSRTC, Srikakulam Region, stated that trade unions and industrial relations are more important in the development process of APSRTC.

Vijay, G. (2009) in his article tried to examine the nature of emerging labour relations in the global disintegration scenario. The study argues that it is the control over value that determines the choice of the social mode that determines control over generation of value. It is not a value chains but value cycles that generate different social modes of production relations

**NEED FOR THE STUDY**

The present concept is concerned with the factors affecting industrial relations (union management relations) as today the industrial relations are very important for smooth functioning of every organization and also there is need to study intensively about the Factors affecting industrial relations.

**OBJECTIVE OF THE STUDY**

To study the factors affecting Industrial Relations

**FACTORS AFFECTING INDUSTRIAL RELATIONS**

Industrial Relations system of an organisation is influenced by a variety of factors. A few important factors are:

(i) Institutional factors
(ii) Economic factors
(iii) Social factors
(iv) Technological factors
(v) Psychological Factors
(vi) Political Factors
(vii) Enterprise-related Factors
(viii) Global Factors

(i) Institutional Factors:-
Institutional Factors include economic organisations, (socialist, communist, capitalist) type of ownership, voluntary courts, collective agreements, employee courts, employer’s federations, social institutions like community, caste, joint family, creed, system of beliefs, attitudes of workers, system of power, status etc.

(ii) Economic Factors:-
These factors include economic organisations, like capitalist, communist, mixed etc., the structure of labour force, demand for and supply of labour force etc.

(iii) Social Factors:-
Under social factors items like social group (like caste or joint family) creed, social values, norms, social status (high or low) influenced industrial relations in the early stage of liberalisation.

(iv) Technological Factors:-
Technological factors include work methods, type of technology used, rate of technological change, R & D activities, ability to cope with emerging trends etc. These factors considerably influence the pattern of IR, as they are known to have direct influence on employment status, wage level, collective bargaining process in an organisation.

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² Dunlop described the Economic and Industrial Relations Systems as part of an Economic–Passing Social System
(v) Psychological Factors:-
Psychological factors are items pertaining to industrial relations like owner’s attitude, perception of workforce, worker’s attitude towards work, their motivation, morale, interest, alienation, dissatisfaction and boredom resulting from man-machine interface.

(vi) Political Factors:-
Political factors are political institutions, system of government, political philosophy, attitude of government, ruling elite and opposition towards labour problems.

(vii) Enterprise-related Factors:-
Enterprise-related factors, are issues like struggle of management prevailing in the Enterprise, its philosophy and value system, organisation climate, organisational health, extent of competition, adaptability to change and the various human resource management policies.

(viii) Global Factor:-
Various issues including international relations, global conflicts, dominant economic-political ideologies, global cultural milieu, economic and trading policies of power blocks, international trade agreements and relations, international labour agreements

CONCLUSION
The objective of the Industrial Relations is maintaining Industrial peace and harmony. To achieve the peaceful Industrial Relations, Climate, Employer-Employee bonds are need to be established by adopting and practising democratic methods. The Industrial Relations often affecting by the factors such as Institutional economic, social, technological, psychological, political, enterprise-related and global factors.

In a nutshell, the productive capacity of human resources might be maximised as Rensis Likert aptly expressed that the human resources only can productive if these resources are properly maintained and directed in order to achieve the predetermined task, now there is immediate need to frame the strategies for encountering of these factor so that the industrial relations should be excel, as a result organization will be produced desired results.

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