

Internal Assessment Test - I

Sub:	Industrial Relations & Legislations	Code:	16MBAHR301
Date:	28.09.17	Duration:	90 mins
		Max Marks:	40
		Sem:	III
		Branch:	MBA

		Marks	OBE	
			CO	RBT
<b>Part A - Answer Any Two Full Questions (16*02=32 Marks)</b>				
1 (a)	Write the objectives of industrial relations.	[02]	CO1	L1
	(b) Explain the functions of Collective Bargaining.	[06]	CO3	L2
	(c) Elaborate on the concepts of Pre & Post Independence period.	[08]	CO1	L4
2 (a)	Write the essential conditions for success of collective bargaining.	[02]	CO2	L1
	(b) Describe various approaches to industrial relations.	[06]	CO1	L3
	(c) What do you mean by Code of Discipline? Discuss on “Red Hot Stove” Rule for discipline.	[08]	CO3	L3
3 (a)	List out the importance of collective bargaining.	[02]	CO2	L1
	(b) Discuss the factors affecting Industrial Relation.	[06]	CO1	L3
	(c) Illustrate on the concept of Collective Bargaining process along with diagram.	[08]	CO2	L3
<b>Part B - Compulsory (01*08=08 marks)</b>				
4(a)	If you are the Labour Officer in the organization, & some Crisis has happened be it accident, or any other casualties, how would you and your employees respond to it.	[04]	CO2	L5
4(b)	You are the Legal Officer of the XYZ company and a worker has done some unethical work in the premises, what action will you take, do you think Red Hot Stove is applicable.	[04]	CO3	L5

Course Outcomes		PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PO9
CO1:	To enable students to understand and apply the principles of IR and develop an awareness of the significance of industrial peace.	1b 3a	3b							
CO2:	To provide a conceptual basis of Industrial Relations.	1c 2b	2a							
CO3:	To give an understanding of the components and meaning of sustaining Industrial peace anchored on harmonious Employee-Management relations.	1a		2c 3c	4a 4b					
CO4:	To discuss the various Industrial acts.									

Cognitive level	KEYWORDS
L1	List, define, tell, describe, identify, show, label, collect, examine, tabulate, quote, name, who, when, where, etc.
L2	summarize, describe, interpret, contrast, predict, associate, distinguish, estimate, differentiate, discuss, extend
L3	Apply, demonstrate, calculate, complete, illustrate, show, solve, examine, modify, relate, change, classify, experiment, discover.
L4	Analyze, separate, order, explain, connect, classify, arrange, divide, compare, select, explain, infer.
L5	Assess, decide, rank, grade, test, measure, recommend, convince, select, judge, explain, discriminate, support, conclude, compare, summarize.

PO1 - *Engineering knowledge*; PO2 - *Problem analysis*; PO3 - *Design/development of solutions*; PO4 - *Conduct investigations of complex problems*; PO5 - *Modern tool usage*; PO6 - *The Engineer and society*; PO7- *Environment and sustainability*; PO8 - *Ethics*; PO9 - *Individual and team work*; PO10 - *Communication*; PO11 - *Project management and finance*; PO12 - *Life-long learning*

**Internal Assessment Test – I ANS KEY**

Sub:	Industrial Relations & Legislations						Code:	16MBAHR301	
Date:		Duration:	90 mins	Max Marks:	40	Sem:	III	Branch:	MBA

		Marks		OBE	
		CO	RBT		
<b>Part A - Answer Any Two Full Questions (16*02=32 Marks)</b>					
1 (a)	<p>Define the term industrial relations; also list objectives of industrial relations.</p> <p>The term „Industrial Relations“ comprises of two terms: „Industry“ and Relations“. “Industry” refers to “any productive activity in which an individual (or a group of individuals) is (are) engaged”. By “relations” we mean “the relationships that exist within the industry between the employer and his workmen.” The term industrial relations explain the relationship between employees and management which stem directly or indirectly from union-employer relationship.</p> <p><b>Objectives of Industrial Relations</b></p> <ol style="list-style-type: none"> <li>To bring better understanding and cooperation between employers and workers.</li> <li>To establish a proper channel of communication between workers and management..</li> </ol>	[02]	CO1	L1	
(b)	<p>Explain the functions of Collective Bargaining.</p> <p>Over the past few decades, collective bargaining has come to be accepted as a process of decision – making and as a mechanism for balancing the power between the employers and the employees on a case- by- case basis. Prof. Arthur D. Butler has identified the functions of collective bargaining under the following three heads:</p> <ol style="list-style-type: none"> <li>C.B. as a technique of long-run social change.</li> <li>C.B. as a peace treaty between two parties in continual conflict.</li> <li>C.B. as a system of industrial jurisprudence.</li> </ol> <p>Long- Run Social Change:</p> <p>1.C.B. in its broader aspect is not confined only to the economic relations between employers and employees. Perlman says, “It is a technique whereby an inferior social class or group carries on a never- slackening pressure for a bigger share in the social sovereignty as well as for more welfare, security and liberty for its individual members. C.B. manifests itself equally in politics, legislation, court litigation, government administration, religion</p> <p>2- Peace Treaty: C.B. is a sort of peace treaty between two parties in continual conflict. However, the settlement between the two parties is a compromise. The extent to which each side is willing to accept less than its original bargaining demand depends, in part, on how strong it is vis-à-vis its opponent.“The compromise is a temporary truce with neither side being completely satisfied with the results.</p> <p>3- Industrial Jurisprudence: C.B. creates a system of ‘industrial jurisprudence’. It is a method of introducing civil rights into industry, i.e., of requiring that management be conducted by rules rather than by arbitrary decisions.” It establishes rules which define and restrict the traditional authority exercised by employers over their employees, placing a part of the authority under the joint control of union and management.</p>	[06]	CO3	L2	
(c)	<p>Elaborate on the concepts of Pre &amp; Post Independence period.</p> <p>Industrial relations constitute one of the most delicate and complex problems of the modern industrial society. This phenomenon of a new complex industrial set-up is directly attributable to the emergence of ‘Industrial Revolution’. The pre-industrial revolution period was</p>	[08]	CO1	L4	

characterized by a simple process of manufacture, small scale investment, local markets and small number of persons employed. All this led to close proximity between the manager and the managed. Due to personal and direct relationship between the employer and the employee it was easier to secure cooperation of the latter. Any grievance or misunderstanding on the part of either party could be promptly removed. Also, there was no interference by the State in the economic activities of the people. Under such a set-up industrial relations were simple, direct and personal. This situation underwent a marked change with the advent of industrial revolution – size of the business increased needing investment of enormous financial and human resources, there emerged a new class of professional managers causing divorce between ownership and management, and relations between the employer and the employee became estranged and gradually antagonistic. This new set-up rendered the old philosophy of industrial relation irrelevant and gave rise to complex, indirect, and impersonal industrial relations. Industry today is neither viewed as a venture of employers alone nor profit if considered as its sole objective. It is considered to be a venture based on purposeful cooperation between management and labour in the process of production and maximum social good is regarded as its ultimate end and both management and employees contribute in their own way towards its success. Similarly, labour today is no more an unorganized mass of ignorant workers ready to obey without resentment or protest the arbitrary and discretionary dictates of management. The management has to deal with employees today not as individuals but also as members of organized social groups who are very much conscious about their rights and have substantial bargaining strength. Hence, the objective of evolving and maintaining sound industrial relations is not only to find our ways and means to solve conflicts to resolve differences but also to secure the cooperation among the employees in the conduct of industry. But maintaining smooth industrial relation is not an easy task. Almost all the industrialized countries of the world face the problem of establishing and maintaining good management worker relationships in their industries. Each country has sought to find our solution, depending upon its economic, social and political environment. However, industrial conflict still arises and therefore establishment and maintenance of satisfactory industrial relations forms an important plank in the personnel policies of modern organization.

2 (a) Write the essential conditions for success of collective bargaining.

[02]

CO2

L1

1.Pluralism and the Freedom of Association

2.Trade Union Recognition

3. Observance of Agreements

4. Good Faith

(b) Describe explain various approaches to industrial relations

[06]

CO1

L3

**Psychological approach**

According to psychologists, problems of industrial relations have their origin in the perceptions of the management, unions and rank and file workers. These perceptions may be the perceptions of persons, of situations or of issues involved in the conflict. The perceptions of situations and issues differ because the same position may appear entirely different to different parties. The perceptions of unions and of the management of the same issues may be widely different and, hence, clashes and may arise between the two parties. Other factors also influence perception and may bring about clashes. The reasons of strained industrial relations between the employers and the employees can be understood by studying differences in the perception of issues, situations and persons between the management groups and labour groups.

The organizational behavior of inter-groups of management and workers is of crucial importance in the pattern of industrial relations. The group-dynamics between the two conflicting groups in industrial relations tend to shape the behavioural pattern.

**Sociological approach**

Industry is a social world in miniature. The management goals, workers' attitudes, perception of change in industry, are all, in turn, decided by broad social factors like the culture of the institutions, customs, structural changes, status-symbols, rationality, acceptance or resistance to change, tolerance etc. Industry is, thus inseparable from the society in which it functions. Through the main function of an industry is economic, its social consequences are also important such as urbanization, social mobility, housing and transport problem in industrial areas, disintegration of family structure, stress and strain, etc. As industries develop, a new industrial-cum-social pattern emerges, which provides general new relationships, institutions and behavioural pattern and new techniques of handling human resources. These do influence

the development of industrial relations.

**Human relations approach**

Human resources are made up of living human beings. They want freedom of speech, of thought of expression, of movement, etc. When employers treat them as inanimate objects, encroach on their expectations, throat-cuts, conflicts and tensions arise. In fact major problems in industrial relations arise out of a tension which is created because of the employer’s pressures and workers’ reactions, protests and resistance to these pressures through protective mechanisms in the form of workers’ organization, associations and trade unions.

(c) What do you mean by Code of Discipline? Discuss on “Red Hot Stove” Rule for discipline. [08]

Management of the Service is responsible for: ensuring that all employees are adequately trained and informed of the Standards of Professional Conduct and the Code of Discipline and other directives and regulations; promptly and impartially taking appropriate corrective action when necessary.

**The Hot Stove Rule**

The "Hot-Stove Rule" of Douglas McGregor gives a good illustration of how to impose disciplinary action without generating resentment. This rule draws an analogy between touching a hot stove, and undergoing discipline. When you touch a hot stove, your discipline is immediate, with warning, consistent, and impersonal.

These four characteristics, according to McGregor, as applied to discipline are as follows:

1. When you touch the hot stove, you burn your hand. The burn was immediate. Will you blame the hot stove for burning your hand? Immediately, you understand the cause and effect of the offense. The discipline was directed against the act not against anybody else. You get angry with yourself, but you know it was your fault. You get angry with the hot stove too, but not for long as you know it was not its fault. You learn your lesson quickly.

2. You had warning as you knew the stove was red hot and you knew what would happen to you if you touched it. You knew the rules and regulations previously issued to you by the company prescribing the penalty for violation of any particular rule so you cannot claim you were not given a previous warning.

3. The discipline was consistent. Every time you touch the hot stove you get burned. Consistency in the administration of disciplinary action is essential. Excessive leniency as well as too much harshness creates not only dissatisfaction but also resentment.

4. The discipline was impersonal. Whoever touches the hot stove gets burned, no matter who he is. Furthermore, he gets burned not because of who he is, but because he touched the hot stove. The discipline is directed against the act, not against the person. After disciplinary action has been applied, the supervisor should take the normal attitude toward the employee.

In applying this Hot Stove rule in disciplinary action, there must be organizational policies, rules and regulations regarding certain behavior and conduct which were issued and clearly explained to employees and accepted by them for compliance. Disciplinary action must be directed against the act, not against the person. It must be used by supervisors as a tool to develop the employee and the group. The steps that should be followed are:

- Immediate investigation of the offense must be done to determine the facts. Promptness is necessary in order that the employee will associate the investigation with the offense rather than with his person.

- Previous warning. It is important that the organization’s policies, rules and regulations are issued to and explained to all employees upon induction as part of the orientation program. This should be done by the supervisor with the help of Human Resources. In addition, whenever new policies, rules and regulations are developed, the employee must be made aware of them.

- Consistency in the administration of disciplinary action is highly essential so that employees will know what to expect as a consequence of an infraction or violation of the rule or regulation.

- Disciplinary action must be impersonal. It should be directed against the act, not the person. It should be institutional, that is, for the protection and interest of the entire organization and for all employees, and not done to satisfy the personal whim of the supervisor.

3 (a) List out the importance of collective bargaining. [02]

1. Increases the strength of the workforce, thereby, increasing their bargaining capacity as a group

	CO3	L3
	CO2	L1

2. It becomes easier for the management to resolve issues at the bargaining level rather than taking up complaints of individual workers.

(b) Discuss the factors affecting Industrial Relation.

[06]

**Factors Affecting Industrial Relations**

The concept of industrial relations means the relationship between employees and the management in the day-to-day working of the industry.

**Factors Affecting of Industrial Relations**

- Economic,
- Social,
- Psychological,
- Demographic,
- Technological,
- Occupational,
- Global factors

--	--

CO1	L3
-----	----

(c) Illustrate on the concept of Collective Bargaining process along with diagram.

[08]

THE COLLECTIVE BARGAINING PROCESS comprises of five core steps:

1. Prepare: This phase involves composition of a negotiation team. The negotiation team should consist of representatives of both the parties with adequate knowledge and skills for negotiation. In this phase both the employer's representatives and the union examine their own situation in order to develop the issues that they believe will be most important. The first thing to be done is to determine whether there is actually any reason to negotiate at all. A correct understanding of the main issues to be covered and intimate knowledge of operations, working conditions, production norms and other relevant conditions is required.
2. Discuss: Here, the parties decide the ground rules that will guide the negotiations. A process well begun is half done and this is no less true in case of collective bargaining. An environment of mutual trust and understanding is also created so that the collective bargaining agreement would be reached.
3. Propose: This phase involves the initial opening statements and the possible options that exist to resolve them. In a word, this phase could be described as 'brainstorming'. The exchange of messages takes place and opinion of both the parties is sought.
4. Bargain: negotiations are easy if a problem solving attitude is adopted. This stage comprises the time when 'what ifs' and 'supposals' are set forth and the drafting of agreements take place.
5. Settlement: Once the parties are through with the bargaining process, a consensual agreement is reached upon wherein both the parties agree to a common decision regarding the problem or the issue. This stage is described as consisting of effective joint implementation of the agreement through shared visions, strategic planning and negotiated change.

CO2	L3

**Part B - Compulsory (01\*08=08 marks)**

4(a) If you are the Labour Officer in the organization, & some Crisis has happened be it accident, or any other casualties, how would you and your employees respond to it.

[04]

1. As the labour Officer in the organization first and foremost I will see all the employees are safe, if any accident or casuality has happen they will be rushed to nearby hospital and first aid should be provided.
2. I will ask the mgt, employees to keep calm and be composed.
3. Employees should not panic & they should help the others employees.

CO2	L5
-----	----

4(b) You are the Legal Officer of the XYZ company and a worker has done some unethical work in the premises, what action will you take, do you think Red Hot Stove is applicable. Yes Red Hot stove is applicable as unethical issues has taken place in the organization, first oral warning will be given by the immediate supervisor and then committee will be formed to discuss the matter.	[04]		
		CO3	L5

Course Outcomes		PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PO9
CO1:	To enable students to understand and apply the principles of IR and develop an awareness of the significance of industrial peace.	1b 3a	3b							
CO2:	To provide a conceptual basis of Industrial Relations.	1c 2b	2a							
CO3:	To give an understanding of the components and meaning of sustaining Industrial peace anchored on harmonious Employee-Management relations.	1a		2c 3c	4a 4b					
CO4:	To discuss the various Industrial acts.									

Cognitive level	KEYWORDS
L1	List, define, tell, describe, identify, show, label, collect, examine, tabulate, quote, name, who, when, where, etc.
L2	summarize, describe, interpret, contrast, predict, associate, distinguish, estimate, differentiate, discuss, extend
L3	Apply, demonstrate, calculate, complete, illustrate, show, solve, examine, modify, relate, change, classify, experiment, discover.
L4	Analyze, separate, order, explain, connect, classify, arrange, divide, compare, select, explain, infer.
L5	Assess, decide, rank, grade, test, measure, recommend, convince, select, judge, explain, discriminate, support, conclude, compare, summarize.

PO1 - *Engineering knowledge*; PO2 - *Problem analysis*; PO3 - *Design/development of solutions*; PO4 - *Conduct investigations of complex problems*; PO5 - *Modern tool usage*; PO6 - *The Engineer and society*; PO7- *Environment and sustainability*; PO8 - *Ethics*; PO9 - *Individual and team work*; PO10 - *Communication*; PO11 - *Project management and finance*; PO12 - *Life-long learning*