

## **COLLECTIVE BARGAINING: AN EFFECTIVE MECHANISM FOR PROMOTING INDUSTRIAL RELATIONS - A CASE STUDY ON SOME COLLIERIES.**

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### **INTRODUCTION**

Collective bargaining is a process in which representatives of two groups (employer/management and employees) meet and attempt to negotiate an agreement which specifies the nature of relationship between them. According to Flippo, "Collective bargaining is a process in which the representatives of a labour organization and the representatives of business organization meet and attempt to negotiate a contract or agreement, which specifies the nature of employee-employer-union relationship".

It is called 'collective' because both the management and the employee act as a group rather than as individual. It is known as 'bargaining' because the method of reaching an agreement involves proposals offers and counter offers. Collective bargaining is a rational process in which appeals to facts and to logic, reconciles conflicting interests in the light of common interests of both parties. It is a bipartite and dynamic process.

Collective bargaining is an important method of regulating relations between the management and the employees. It involves negotiation administration and enforcement of the written contracts between the management and employees. It also includes the process of resolving labour-management conflicts.

### **OBJECTIVES OF THE STUDY**

The study attempts to find out the effectiveness of collective bargaining as a mechanism for settlement of industrial disputes.

### **HYPOTHESIS OF THE STUDY**

Collective bargaining as a tool of settlement machinery is not working effectively and it affects industrial relations.

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## METHODOLOGY/DATABASE

Information and data were collected personally by the authors from each of the concerned department from files and documentary sources. After collection, information and data were compiled and duly represented. A few office bearers of the trade unions as well as company employees have been interrogated through stratified random sampling method to know their views regarding the effectiveness of collective bargaining process of this industry. The investigators also interviewed management personnel to have their views regarding actions taken to increase the effectivity of collective bargaining process.

## RESULT/DISCUSSION

The role of collective bargaining for solving the problems arising in West Bengal Collieries has been widely recognized. But whatever labour laws may lay down, it is the approach of management and trade union leaders which matters. Unless both are enlightened, industrial harmony is not possible. Therefore, the solution to common problems can be found directly through negotiation between both parties and in this contest, the scope of collective bargaining in West Bengal Collieries is very wide.

It was gathered through interaction process carried on during survey in different collieries that all the parties attached to sample collieries (mainly workers, management, trade union officials) stressed on importance and necessity of collective bargaining as machinery for disposal of issues.

**The important reasons for accepting collective bargaining as a mechanism for settlement of disputes in collieries are given hereunder:**

- *Promoting dyadic relationship.*
- *Quick disposal.*
- *Generating a climate of mutual trust in the collieries.*
- *Conducive and congenial working atmosphere.*
- *Helping to bring the parties can be studied easily and thereby formidable solution can be identified.*
- *Developing a sense of 'we feeling', 'togetherness' and 'belongingness' by the workers.*
- *Pragmatic analysis of issues can be made.*
- *Establishing a bond/forgo between parties for uninterrupted production and services.*
- *Changing attitudes of parties.*

In reality collective bargaining has not been effective in West Bengal Collieries. ***Smooth functioning of such mechanism in collieries, on some occasions is not possible due to some limitation.*** Our survey in the sample colliery and interaction with workers, management and trade union officials indicates the major limitation/weakness of collective bargaining in West Bengal. They are given below:

- *Lack of understanding and knowledge of collective bargaining of worker.*
- *Lack of non prevalence of congenial atmosphere needed for introducing collective bargaining machinery.*
- *Existence of a situation where mistrust and misunderstanding generates.*
- *Lack of definite procedure to determine the issues like easy access to adjudication under laws.*
- *Settlement of industrial disputes by inviting political leaders to intimidate and help the parties arrive at agreement.*
- *Inter/intra union rivalry.*

An attempt has been made to ascertain the effectiveness of collective bargaining as a mechanism for settlement of industrial disputes in West Bengal Collieries during the period 1992-93 to 2001-2002. The data /information have been collected from secondary sources (i.e., records of Regional Labour Commssioner [Central] Asansol, West Bengal).The table-1 given hereunder depicts a picture of the disputes settled through collective bargaining during the period under study. It is evident from table-1 that considerable numbers of dispute have been disposed of through collective bargaining process.

This reveals a good sign of healthy IRs in West Bengal Collieries. A trend of settlement through collective bargaining process is also increasing. In 1992-93, 66.5% of the deputes were settled through collective bargaining and in 2001-2002 the percentage of disputes settlement through collective bargaining process has been increased to 82.52%.It gives the idea that the management in West Bengal Collieries have given emphasis on collective bargaining settlement.

Putting much more emphasis on settling disputes through collective bargaining means generating a climate of developing mutual understanding and faith between labour and management in collieries.

Table: 1

Industrial Disputes Settled By Collective Bargaining In the West Bengal Collieries during the Period 1992-93 to 2001-2002

Year	Number of Disputes	Collective Bargaining
1992-93	197	131(66.5)
1993-94	172	124(72.1)
1994-95	156	119(76.28)
1995-96	143	99(69.23)
1996-97	152	116(76.32)
1997-98	171	127(74.27)
1998-99	163	133(81.6)
1999-00	149	118(79.19)
2000-01	151	121(80.13)
2001-02	143	118(82.52)

From the analysis of the responses of workers and statistical tools like chi-square test have been used to find out the homogeneity of the data regarding collective bargaining process. It reveals from table-2, that 240 workers [70 Very High Degree in Agreement (VHDA), 77 High Very High Degree in Agreement (HDA), and 93 Moderate High Degree in Agreement (MDA)] out of 500 workers i.e. 48% of the workers belonging to agreement group were happy with collective bargaining process as a tool of settlement machinery which is prevalent in the West Bengal Collieries. However, a large number of workers 52% [140 Low Degree in Agreement (LDA) and 120 Disagreement (Dis)] who do not fall in the above category were not satisfied about the use of collective bargaining in the collieries and they felt that collective bargaining process was not effective as a tool of settlement machinery.

Table: 2/ Hypothesis-1

Percentage distribution of workers, trade union officials and management relating to effectiveness/use of collective bargaining as a tool of disputes settlement machinery

Collective bargaining as a tool of settlement machinery	VHDA	%	HDA	%	MDA	%	LDA	%	Dis	%	Total
Workers	70	14.0	77	15.4	93	18.6	140	28.0	120	24.0	500
Trade union official	13	13.0	14	14.0	17	17.0	37	37.0	19	19.0	100
Management	17	17.0	17	17.0	20	20.0	30	30.0	16	16.0	100
Total	100		108		130		207		155		700

Chi-square at 5% level of significance and at 8 degree of freedom = 15.50

Here, Calculated value = 6.415

So, Calculated value < tabulated value

Hence, the null hypothesis is accepted (collective bargaining as a toll of settlement machinery is not working effectively and it affects industrial relations) implying thereby that the ranking have no group bias.

## CONCLUSION

It is seen that during the period under study, the nature of all the agreements made is of bipartite type. And the bipartite agreement is only possible when the industrial relations situation in the industry is good.

The analysis of the responses made by the three parties (namely, management, trade union officials, and workers) in the sampled collieries and also the result of statistical tool reveal the same picture regarding industrial relations situation in West Bengal Collieries that indicates prevailing a state of moderately labour-management relations.

It should be understood that in prospect the spirit of bipartism is the essence of collective bargaining as industrial relations system. And for its success, mutual trust and self reliant attitude of both management and unions are the very basic needs in future day to come in collieries particularly in West Bengal Collieries. To make the collective bargaining as a machinery to settle disputes, the trade union leaders need to be educated through training, participation in different seminars, workshops, conferences. It is also a necessity to treat the people at work as assets that can contribute individually and collectively to achieve organizational goals.

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