



## M-3 CHAP-2 COMPENSATION AND REWARD SYSTEMS

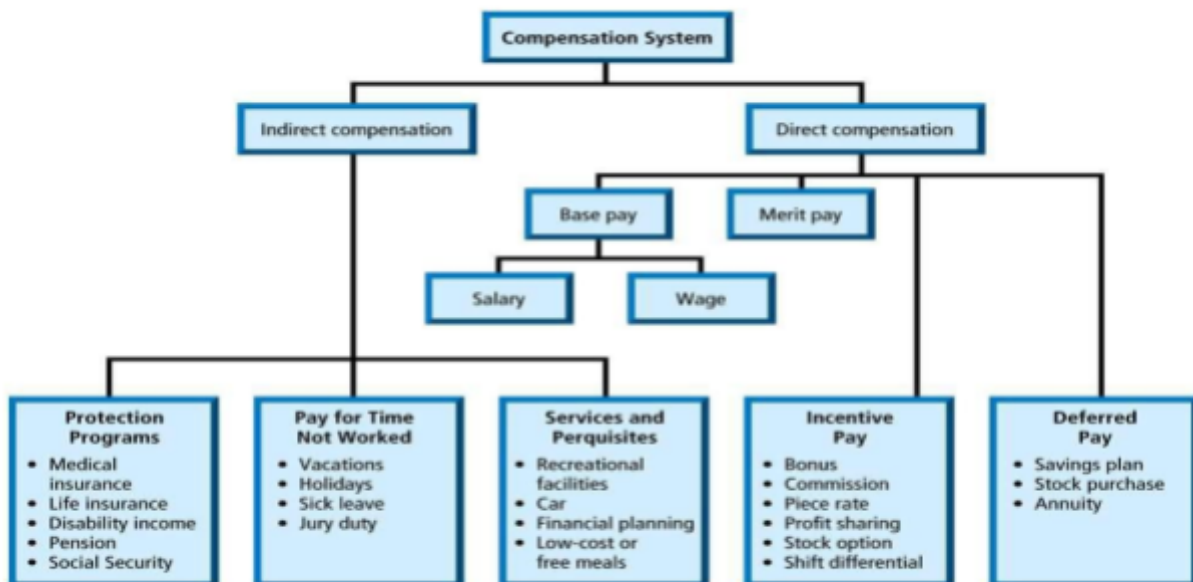
What is Compensation Management?

Compensation Management is designing and implementing total compensation package with a systematic approach to providing value to employees in exchange for work performance,

Compensation is a systematic approach to providing monetary value to employees in exchange for work performed.

Compensation may achieve several purposes assisting in recruitment, job performance, and job satisfaction.

Types of Compensation:



**DIRECT COMPENSATION:**

One of the ways to categorize the different types of compensation is to distinguish direct compensation from indirect compensation.

Both of these types of compensation are financial, meaning that the compensation takes the form of money or can be valued as money.

Direct compensation includes money paid to employees as cash, such as hourly wages, salaries, bonuses and commission. Wages and salary typically fall under the category of base pay whereas bonuses and commission fall under the category of variable pay.

OR

It refers to monetary benefits offered and provided to employees in return of the services they provide to the organization. The monetary benefits include basic salary, house rent allowance, conveyance, leave



travel allowance, medical reimbursements, special allowances, bonus, PF/Gratuity, etc. They are given at a regular interval at a definite time.

#### INDIRECT COMPENSATION:

Indirect compensation is still monetary in nature — meaning it has a financial value that can be calculated — but is not a direct payment in the form of cash. What is considered indirect compensation can vary across organizations but typically includes much of the benefits package that comes with employment, such as employer sponsored health insurance and employer contributions to an employee's 401(k) retirement plan.

Stock options and profit sharing also usually fall under indirect compensation as can some other employee benefits such as tuition assistance or a company-paid gym membership. What these examples have in common is a distinct monetary value that is not paid to the employee in actual dollars.

OR

It refers to non-monetary benefits offered and provided to employees in lieu of the services provided by them to the organization. They include Paid Leave, Car transportation, Medical Aids and assistance, Insurance (for self and family), Leave travel Assistance, Retirement Benefits, Holiday Homes.

#### STRATEGIC APPROCHES TO COMPENSATION:

##### 1. Attracting Quality Employees

A strategic plan for compensation plays an important role in attracting a large base of competent employees. Paying wages at or above the prevailing wage in the market for one's company's industry allows one to demand workers having more experience and positive work histories. Hiring more qualified workers yield better results, including higher productivity and customer service interactions. This in turn increases the company's revenue and helps in expanding business by increasing goodwill among consumers.

##### 2. Rewards for Performance

A compensation strategy also includes rewards for employees based on their performance. It may be a commission-based system that rewards employees based on total amount of sales or for consistent positive feedback from customers. A reward system should be unambiguous and transparent to the employees. It should be encouraging and attainable enough at its lower levels to motivate employees to work harder to reach higher goals. Setting up a performance level too high for employees in their early phase in organisation often proves to be faulty and such a reward system is often ignored by the employees.

##### 3. Encouraging Employee Retention

Rewarding employees for their loyalty towards the company is one of the most important strategies that are followed for retaining quality workers. Compensation relating to seniority with the company substantiates the company's regard for loyal and long term relationships. This encourages new employees to make a commitment to build a career with one's business and deters established employees from jumping to other companies. The experienced workers are forced to think twice about pursuing another opportunity if the new job also comes with a pay cut.



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#### 4. Perks and Benefits

It is one of those critical sections in a compensation plan that can make or break a company's ability to attract the best and brightest in the industry. Offering health insurance benefits to full-time workers should be of major concern in the compensation plan. It can be combined with other company perks, including paid holidays and guaranteed paid vacation time, to attract more qualified workers to business. The decision to offer these benefits is also contingent on the success of the company. A company may choose to add health care coverage and paid time off to its benefits package only after the company is showing profitability or makes it past the first year.

### MODULE-3 CHAP-3 INDUSTRIAL RELATIONS

#### DEFINITION OF IR:

According to 'Dunlop'

“ I.R. may be defined as the complex of inter-relations among workers, managers & government.

According to 'Dale Yoder',

“ IR is a designation of a whole field of relationship that exists because of the necessary collaboration of men and women in the employment processes of industry”.

#### CHARACTERISTICS OF IR:

The salient characteristics of industrial relations are discussed herein below:

##### 1. Parties in the Industrial Relations Activities:



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Basically, two parties-workers and management are involved in the process of establishing relations. However, the government agencies regulate /maintain industrial relations.

#### 2. Interactive Process:

Industrial relations arise out interactions between different persons/parties. They are supervisors, workers trade unions, employers' associations.

So, interactive process takes place between –

- i. Supervisors and industrial workers
- ii. Supervisors and group/team members
- iii. Management and trade union leaders
- iv. Employers' federations and workers' unions.

#### 3. Two-Way Communication:

IRs is a two-way communication process. One party gives stimuli, other party responds to the stimuli. So, the transaction occurring through such mechanism is either complementary or cross. More the complementary transactions, better will be the industrial relations situations.

#### 4. HRM Practices:

Effective human resource planning system, identification and stimulating prospective employees, designing the most suitable selection technique to choose the right kind of people help to organization to get a committed and willing workforce that want to grow, develop and achieve. Such employees in the process like to develop better relations with their bosses. So, HRM practices influence IRs pattern in the industry.

#### 5. Approaches to IRs:

Various approaches contribute to shape IRs pattern in industrial organizations. These approaches include sociological, psychological, socio-ethical, human relations, Gandhian, system approaches etc.

#### 6. State Intervention:

State plays a vital role to influence industrial relations situations through its activities as facilitator, guide counsellor for both the parties in the industry.

#### 7. Role of Trade Union:

Behavioural manifestations of workers are mostly governed by the trade unions to which they belong. Hence, trade union's perception, attitudes towards management influence workers to form their mind set that regulates/promotes interaction with the management.

#### 8. Organizational Climate:

If, congenial and conducive organizational climate prevails, workers feel homely, interact spontaneously, communicate boss about their problems, difficulties directly and come close to him to exchange/share the views each other in respect of work, change of job design, introduction of any operative system, process etc. Under such situation, possibility of establishing healthy human relations develops and these relations influence industrial relations pattern of organization.

#### 9. Dispute Settlement Process:

If, the management personnel believe on the philosophy of settling workers' grievances/ disputes through bi-lateral negotiation process, they give much more emphasis on mutual talk, sharing responsibility,



collaboration, partnership dealing and mutual trust. In the process changes in workers' attitudes, behaviour and thought pattern are likely to occur which effect industrial relations.

#### 10. Outcomes of IRs:

Outcomes of IRs are reflected in production both in quantity and quality, services, man days lost, wastes, accident rate, productivity, labour turnover rate, absenteeism rate, number of bipartite negotiations, company's image, growth, development etc.

#### 11. Competency Development:

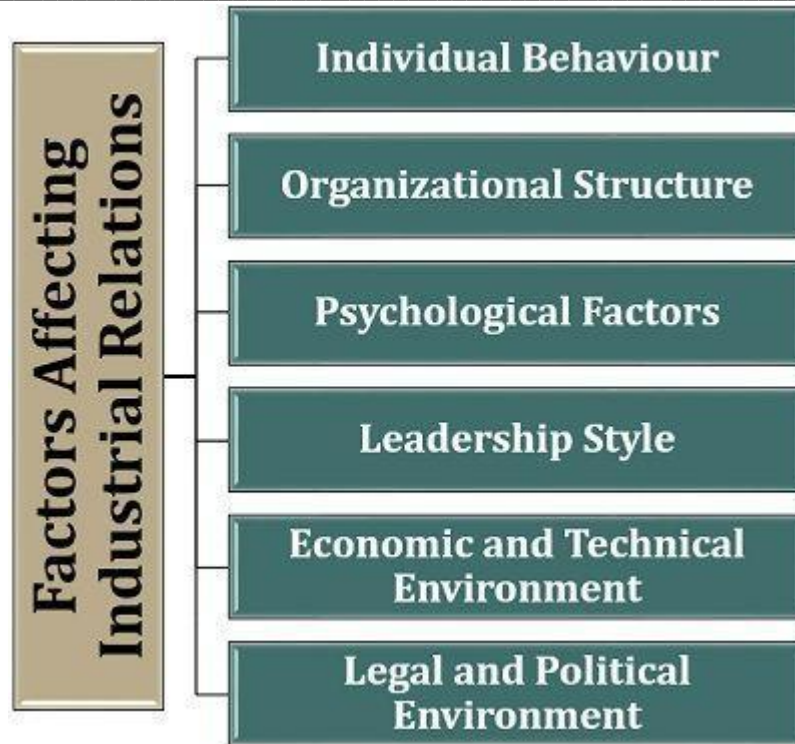
Healthy industrial relations help to develop workers' skill, knowledge, ability, aptitude and change their attitudes, perception to enable them to participate in collaborative activities / collective bargaining process effectively.

#### OBJECTIVES OF IR:

- ❖ Provide an opportunity to the workers to participate in management and decision making process.
- ❖ Raise productivity in the organization to restraint the employee turnover and absenteeism
- ❖ To improve the bargaining capacity of the workers through trade unions.
- ❖ To ensure discipline in the organization and in the industry.
- ❖ To safeguard the interests of the labour and the management by preventing one of the players from getting a strong hold over the other.
- ❖ To develop & secure mutual understanding & good relationships among all the players in the industrial set-up.
- ❖ To maintain industrial peace & harmony by preventing industrial conflicts.
- ❖ To improve the standard of living of the average worker by providing basic and standard amenities.
- ❖ To increase productivity by minimizing industrial conflicts and maintaining harmonious industrial relations.
- ❖ To provide a basic framework for the management & the employees to resolve their differences.

#### FACTORS AFFECTING INDUSTRIAL RELATIONS:

Industrial relations deals with human behaviour and management of personnel in an organizational setup. The various factors that influence the relationship between the administration and the employees in an organization are as follows:



### 1. Individual Behavior

Every person has a different perception, background, skills, knowledge, experience and achievements which influences an individual's behaviour. The employees, therefore, behave differently in different situations, thus impacting the work environment in the organization.

### 2. Organizational Structure

The hierarchical structure creates more formal relationships among the employees belonging to different hierarchical levels in an organization. Also, the delegation and execution of decision-making power by the superior influences the industrial relations between the managers and the employees.

### 3. Psychological Factors

An employee's attitude and mentality towards the employer and the given task; and the employer's psychology towards the workers can be positive or negative, which ultimately impacts the employee-employer relationship.

### 4. Leadership Style

Every manager possesses certain leadership traits and different style to function even in a formal organization. Through his/her formal or informal ways of generating team spirit and motivating the employees, he/she impacts the organization's industrial relations.

### 5. Economic and Technical Environment



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To cope up with the changes in the economic conditions or technology, organizations need to restructure the task of the employees including their work duration, conditions and wages; which leads to a difference in their behaviour, attitude, adapting spirit, etc. towards the organization and its people.

## 6. Legal and Political Environment

The legal framework and political circumstances influence the organization and its industrial relations. It contributes to the framing of rules, rights, authority, powers, roles and responsibilities of all the parties of the organization.

### PARTICIPANT OF IR:

Thus, industrial relations include four types of relations:

- (i) Labour relations i.e., relations between union- management (also known as labour management relations);
- (ii) Group relations i.e., relations between various groups of workmen i.e., workmen, supervisors, technical persons, etc.
- (iii) Employer-employee relations i.e., relations between the management and employees. It denotes all management employer relations except the union- management relations;
- (iv) Community or Public relations i.e., relations between the industry and the society.

The last two are generally, not regarded the subject matter of study under industrial relations. They form part of the larger discipline—sociology. The first two are studied under industrial relations but these two i.e., labour management relations and employer-employee relations are synonymously used.

### IMPORTANCE OF IR:

- ❖ Foster industrial peace.
- ❖ Promote industrial democracy.
- ❖ Benefit to workers.
- ❖ Benefit to management.
- ❖ High employee morale.
- ❖ Lead to mental revolution
- ❖ Improve productivity.
- ❖ Conductive environment for new programs
- ❖ Reduces industrial disputes.
- ❖ Reduce wastages.



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## APPROACHES TO INDUSTRIAL RELATIONS:

● There are mainly three approaches to IR

1. Unitary approach
2. Pluralistic Approach
3. Marxist Approach

1. Unitary approach

- IR is grounded in mutual co-operation, individual treatment, team work and shared goals.
- Union co-operate with the mgt. & the mgt.'s right to manage is accepted because there is no "we they feeling"
- Assumption: Common interest & promotion of harmony
- No strikes are there.
- It's a reactive IR strategy.
- They seek direct negotiations with employees.

2. Pluralistic Approach

- It perceives:
  - Org. as a coalitions of competing interest.
  - TU as legitimate representatives of employee interests.
  - Stability in IR as the product of concessions and compromises between mgt. & unions.
  - Conflict between Mgt. and workers is understood as inevitable.
- Conflict is viewed as conducive for innovation and growth.
- Strong union is necessary.

3. Marxist Approach

- Marxists see conflict as a product of the capitalist society.
- Conflict arises due to the division in the society between those who own resources and those who have only labor to offer.
- For Marxist all strikes are political.





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- It regard state intervention via legislation & the creation of Industrial tribunals as supporting management's interest rather than ensuring a balance between the competing groups.

#### INDIAN CONSTITUTION AND IR:

- Constitutional rights: adequate means of livelihood, equal pay for equal work, similar working conditions, living wages, etc.
- Article 14 says that the state shall not deny to any person equality before the law
- Article 16 guarantees equality of opportunity in matters of public employment
- Article 19 guarantees the right to freedom of speech and expression.
- Article 24 of the constitution prohibits employment of children below 14 yrs of age in factories.
- Article 39 deals with same pay for same work.
- Article 42 ensures good working conditions.
- Article 43 deals with living wages.

#### MODULE-3 CHAP-4

#### INDUSTRIAL CONFLICT

#### MEANING OF INDUSTRIAL CONFLICT:

A term which refers to all expressions of dissatisfaction within the employment relationship, especially those pertaining to the employment contract, and the effort bargain.

The many different kinds of industrial conflict may be divided into two broad classes—informal and formal.

When different groups (unions, management, and workers) different orientations and perceptions of their interests, conflict occurs.

At organizational level, it occurs due to:

The interactions of union leaders and management, union leaders and workers, and unions and workers and management.



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## NATURE/CHARACTERISTICS OF INDUSTRIAL CONFLICTS

1. Conflict is a process in which one party perceives that its interests are opposed or negatively affected by another party.
2. The process word implies that sources of conflict and issues can be real or imaginary. Whether real or imaginary the result of conflict is same.
3. Conflict occurs whenever disagreements exist in social situations over issues of substance and /or emotional antagonisms.
4. Conflict can escalate (strengthen) or de-escalate (weaken) over time
5. The conflict process unfolds in a context- escalates or not and whenever conflict occurs the disputants or third parties attempt to manage it in some manner
6. Consequently we need to understand the dynamics of conflict and know how to handle it effectively.

## INDUSTRIAL DISPUTES:

### INDUSTRIAL DISPUTE – DEFINITION:

The definition of Industrial disputes is as follows – According to Section 2(k) of the Industrial Disputes Act, 1947 “industrial dispute” is defined as, “Any disputes or differences between employers and employees, or between employers and workmen, or between workmen and workmen, which is connected with the employment or non-employment or the terms of employment or with the conditions of labour, of any person”.

### TOPIC-2 CAUSES OF INDUSTRIAL DISPUTES:

Causes of Industrial disputes may be grouped into four categories:

1. Industrial Factors
2. Managements Attitude towards workers
3. Government Machinery ; and
4. Other Causes

#### 1. Industrial Factors :

Under this category, some of the causes of dispute may be:

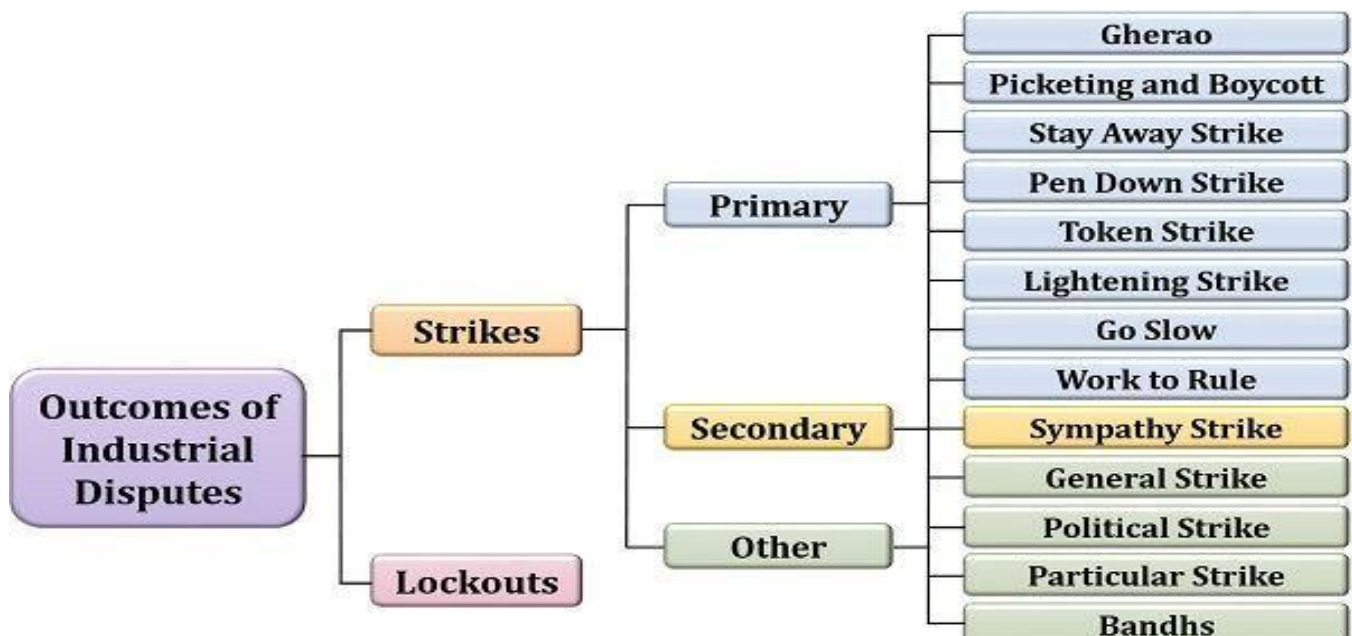
- An industrial matter relating to employment, work, wages, hours of work, privileges, the rights and obligations of employees and employers & terms and conditions of employment.
  - An industrial matter in which both the parties are directly and substantially interested.
  - Disputes arising out of unemployment, inflation, change in the attitude of employers and rivalry among unions.
2. Management Attitude Towards Labor:
    - Management's unwillingness to talk over any dispute with their employees.
    - Management unwillingness to recognize a particular trade union, delegating enough authority to the representatives etc.
    - Unwillingness to negotiation and settlement of disputes.



- Management insistence to take care of recruitments, promotion etc. without consulting the concerned employees
  - Management unwillingness to provide services and benefits to its employee's
3. Government Machinery :
- Though there are number of enactments for promotion of harmonious relations, it is ineffective and unsatisfactory due to various reasons like their irrelevancy in the context of the challenges of present industrial climate /culture, incapability of understanding and answering imperatives of development, improper and inadequate implementation by many employers.
  - The government conciliation machinery has settled a very negligible number of disputes.
4. Other Causes :
- Affiliation of the trade unions with a political party, where the latter may instigate the trade unions to conduct strikes, lockouts, gheraos etc.
  - Political instability, center- state relations, sometimes result into industrial conflict.
  - Other potential factors like corruption in industry and public life, easy money etc. can also result into industrial disputes.

TOPIC-3 OUTCOMES OF INDUSTRIAL DISPUTES:

- The consequences of an industrial dispute are hazardous to the employer, employees, organization, society and the economy.
- However, it is taken as a useful tool by the workers, to raise their voice and put up their demands in front of the management or employers. It empowers the labours and protects their rights of speech in the organization.
- Following are some of the essential ways in which the industrial disputes takes shape in the organization and are carried out by the employees as well as the employer sometimes:





## STRIKES

It is a way through which a group of workmen exercise pressure on the management by stopping the work and protesting against the employers to get their demands fulfilled.

Following are the different types of strikes:

### TYPE-1 PRIMARY STRIKES:

- The strikes which are directly projected against the employers are called as primary strikes. Some of the most common primary strikes are as follows:
  1. **Gherao:** Gherao refers to physically encircling the managers by the workmen to create a restricted area where no one can move in or out. The targeted managers are humiliated through; abuses also they are restricted move in or out.
  2. **Picketing:** Picketing is the process of putting up signboards, play cards and banners by the workmen to display their protest or dispute in front of the public. To involve maximum workers in the strike, some union members are made to stand at the factory gate to influence others too.
  3. **Boycott:** As the name suggests, boycott refers to interrupting business operations. It requests the other labourers to temporarily pull back their co-operation with the management and contribute to the strike.
  4. **Stay Away Strike:** In a stay-away strike, the workmen organize a protest in the form of demonstrations, marches, rallies, apart from the workplace.
  5. **Pen Down Strike:** It is also known as the sit-down strike or tools down strike. Though the workmen come to the workplace daily and also avails the work facilities, they sit idle and stop working.
  6. **Token Strike:** A token strike is a short form of protest where the workmen stop their work for a definite period. It is usually for as short as 24 hours, to hamper a day's production or so and get their demands fulfilled by the management.
  7. **Lightning Strike:** The lightning strike is that form of strikes where the workmen call off the work immediately without giving any prior information or warning to the management. It is also termed as a catcall strike.
  8. **Go Slow Strike:** This is another harmful way of protesting against the management where the workmen secretly plan to decrease their work speed so that the production is hampered. However, in front of the management, they pretend to be highly committed towards their job.
  9. **Work to Rule:** In this type of strike, the employees strictly follow their job rules or contract and stops performing any additional task, other than what all is mentioned in their agreement.



10. Hunger Strike: One of the most common forms of a strike is the hunger strike. The workmen go on fasting for an indefinite period and sit nearby the workplace or the employer's house to project their demands.

## 2. SECONDARY STRIKES:

- The other name for the secondary strike is the sympathy strike. In this, the force is applied against the third person having sound trade relations with the organization to indirectly incur a loss to the employer and the business. The third person does not have any other role to play in such a strike.

## 3. OTHER STRIKES:

- There are undoubtedly other forms of strike too, which takes place on a vast level involving and affecting a large number of people. These are as follows:
  1. General Strike: The strikes which are conducted on a mass level, i.e., in the whole country or state or city instead of just a single organization for fulfilment of a demand unanimously like job permanency or an increase in pay, etc.
  2. Political Strike: Any law or act proposed by the government for making changes to the working terms or conditions when unaccepted by the workers is protested through political strike on a massive level.
  3. Particular Strike: The protest against a specific issue or person within a city, state or country and take up a colossal form is termed as a particular strike.
  4. Bandhs: Bandh is adopted in countries like Nepal and India where a specific community or a political party calls for a general strike across the city or state or country. It is a form of civil disobedience and sometimes become violent, even involving stone attacks or arson attacks at times.

## LOCKOUTS

- This form of an industrial dispute is raised by the employers to impose specific terms and conditions on the workers. It is very different from layoff, retrenchment, termination or prohibition of employees.
- In lockouts, the employer temporarily closes down the workplace or stops the work or takes action like suspending the workers to force them to follow the new terms and conditions.

## TOPIC-4 HOW TO SETTLE THE DISPUTES??

- Whatever may be the cause of industrial disputes, the consequences are harmful to all stakeholders- management, employees, economy and the society.
- For management, disputes result in loss of production, revenue, profit, and even sickness of the plant.
- Employees would be hard hit as the disputes may lead to lockouts and consequent loss of wages and even jobs.
- Various methods are available for resolving disputes. Most important of them are :



### 1. Collective Bargaining

- A technique by which dispute as to conditions of employment, are resolved amicably, by agreement, rather than by coercion
- The dispute is settled peacefully and voluntarily, although reluctantly, between labor and management.
- The final outcome of bargaining may also depend upon the art, skill and dexterity of displaying the strength by the representatives of one party to the other.

### 2. Code of Discipline

- The code of discipline defines duties and responsibilities of employers and workers. The objectives of the code are:
  1. To ensure that employers and employees recognize each other rights and obligations.
  2. To promote consecutive co-operation between parties concerned at all levels.
  3. To eliminate all forms of coercion, intimidation and violence in IR.
  4. To avoid work stoppages.
  5. To facilitate the growth of trade unions.
  6. To maintain discipline in the industry.

### 3. Grievance Procedure

Grievance is any discontent or dissatisfaction, arising out of employment relationship, which an employee thinks, believes or feels to be unfair, unjust or inequitable.

A grievance procedure is a formal process which is preliminary to arbitration, which enables the parties involved to attempt to resolve their differences in a peaceful and orderly manner.

It enables the company and the trade union to investigate and discuss the problem at issue without in any way interrupting the peaceful conduct of business.

### 4. Arbitration

- Arbitration is a procedure in which a neutral third party studies the bargaining situation, listens to both the parties, gathers information and then makes recommendations that are binding on both the parties.
- Arbitration is effective means of resolving disputes because it is :
  1. Established by the parties themselves and the decision is acceptable to them.
  2. Relatively expeditious when compared to courts and tribunals.

### 5. Conciliation

- Conciliation is a process by which the representatives of workers and employers are brought together before a third party with a view to persuading them to arrive at an agreement by mutual



discussion between them. The third party may be an individual or a group of people. The third party may also be called as mediators.

- The ID Act, 1947 and other state enactments authorize the governments to appoint conciliators charged with duty of mediating in and promoting the settlement of industrial disputes.
- Conciliation officer: an authority appointed by the government to mediate disputes between parties brought to his notice; enjoying the powers of a civil court. He is supposed to give judgment within 14 days of the commencement of the conciliation proceedings.
- Board of conciliation: The Board is an adhoc, tripartite body having the powers of a civil court created for a specific dispute (when the conciliation officer fails to resolve disputes within a time frame, the board is appointed)
- Court of enquiry: In case the conciliation proceedings fail to resolve a dispute, a court of enquiry is constituted by the government to investigate the dispute and submit the report within six months.

## 6. Adjudication

- Adjudication means a mandatory settlement of an industrial dispute by a labor court or a tribunal. Generally, the government deems a dispute for adjudication depending on the failure of conciliation proceedings.
- Section 10 of the Industrial Act, 1947, provides for reference of a dispute to labor court or tribunal.
- Disputes are generally referred to adjudication on the recommendation of the conciliation officer who had dealt with them earlier. The government has a discretionary powers to accept or reject recommendations of the conciliation officer. It is obvious that once is referred for adjudication, the verdict of a labor court or tribunal is binding on both the parties.
- This is the most significant instrument of resolving disputes. But, it has been criticized because of the delay involved in resolving conflicts.

## 7. Consultative Machinery

- Consultative machinery is set by the government to resolve conflicts. The main function is to bring the parties together for mutual settlement of differences in the spirit of co-operation and goodwill.
- A consultative machinery operates at plant, industry, state and national levels. At plant level, there are works committee and joint management councils. Being bipartite in character, works committee are constituted as per the provisions of industrial Disputes Act, 1947 and joint management councils are set up following the trust laid down in the Industrial Policy Resolution, 1956. At the industry level, there are wage boards and industrial committee.
- Labor advisory boards operate at the state and at the all India level there are Indian labor conference and the Standing labor committee. The bodies operating at state and national level, are tripartite in character, representing government, labor and management.

## COLLECTIVE BARGAINING

### MEANING OF COLLECTIVE BARGAINING:



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- Collective Bargaining is a system and a technique of resolving an industrial dispute through negotiations between employers and the representatives of employees without any help of an arbitrator.
  - Collective bargaining is that arrangement whereby the wages components of remuneration and conditions of employment of workman are settled through a bargain between the employer and the workman collectively whether represented through their union or by some of them on behalf of all of them.
  - It means bargaining between an employer or group of employers and a bona fide Labour Union.
  - Collective bargaining is made of 2 words
  - Collective: which implies group action through its representatives
  - Bargaining: which suggests negotiating
  - Thus it implies, “collective negotiation of a contract between the management’s representatives on one side and those of the workers on the other.”

#### CHARACTERISTICS

- It is a group action as opposed to individual action and is initiated through the representatives of workers.
- It is flexible and mobile, and not fixed or static.
- It is a two-party process.
- It is a continuous process.
- It is dynamic and not static.
- It is industrial democracy at work.
- Collective bargaining is not a competitive process but is essentially a complementary process.
- It is an art, an advanced form of human relations.

#### NEED OF COLLECTIVE BARGAINING

- It helps in solving the industrial disputes.
- Secure a prompt and fair redressal of grievances.
- Establish uniform conditions of employment with a view to avoid industrial disputes and maintaining stable peace in the industry.
- Helps redress worker grievances promptly and fairly.
- Avoid interruptions in work which follow strikes, go- slow tactics and similar coercive activities.
- Lay down fair rates of wages and norms of working conditions.
- Achieve an efficient operation of the plant and promote the stability and prosperity of the industry.

#### FROM THE EMPLOYEE’S POINT OF VIEW





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- Collective Bargaining helps to develop a sense of responsibility and accountability among the employees.
  - Collective Bargaining increases the morale and productivity of employees.
  - It helps in securing a prompt and fair settlement of grievances.
  - Effective Collective Bargaining machinery strengthens and gives value to the trade unions movement.
  - The discrimination and exploitation of workers, if any, is constantly monitored and addressed.

#### FROM THE SOCIETY'S POINT OF VIEW

- Collective bargaining leads to industrial peace in the country which in turn helps to increase the pace of a nation's efforts towards economic and social development.
- It helps in implementation of labour legislation.

#### INTRODUCTION AND MEANING OF INTERNATIONAL LABOUR ORGANISATION (ILO)

- The International Labour Organization (ILO) was established by the Treaty of Versailles in 1919 as an autonomous institution associated with the League of Nations. In 1946, the ILO became the UN's first specialized agency. It celebrated its 50th anniversary in 1969 and was awarded the Nobel Peace Prize.
- ILO's goals are to improve working and living conditions, to defend human rights, and to promote productive employment. The preamble of its constitution declares that universal and lasting peace can be based only on social justice.
- In Philadelphia (United States) in 1944, the International Labour Conference adopted a declaration, now an annex to the constitution, which proclaims the right of all human beings "to pursue both their material wellbeing and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity." It states that "poverty anywhere constitutes a danger to prosperity everywhere."
- ILO differs from other specialized agencies because of its tripartite structure. Although ILO is an intergovernmental organization, workers and employers participate directly in formulating ILO policy through the Governing Body (the executive council) and the International Labour Conference (the general assembly). These two bodies, plus the International Labour Office, make up the ILO.



“The International Labor Organization (ILO) is a United Nations agency responsible for dealing with employment-related issues across the world, including employment standards and problems of exploitation. The ILO registers complaints against organisations that violate established rules but does not sanction or disincentivise governments or organisations.”

#### FUNDAMENTAL CONVENTIONS AND RECOMMENDATION:

The ILO Governing Body has identified eight “fundamental” Conventions, covering subjects that are considered to be fundamental principles and rights at work: freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation. These principles are also covered by the ILO Declaration on Fundamental Principles and Rights at Work (1998) (see applying and promoting ILS ). As of 1st January 2019, there were 1,376 ratifications of these Conventions, representing 92 per cent of the possible number of ratifications. At that date, a further 121 ratifications were still required to meet the objective of universal ratification of all the fundamental Conventions.

The eight fundamental Conventions are:

1. Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)
2. Right to Organise and Collective Bargaining Convention, 1949 (No. 98)
3. Forced Labour Convention, 1930 (No. 29) (and its 2014 Protocol )
4. Abolition of Forced Labour Convention, 1957 (No. 105)
5. Minimum Age Convention, 1973 (No. 138)
6. Worst Forms of Child Labour Convention, 1999 (No. 182)
7. Equal Remuneration Convention, 1951 (No. 100)
8. Discrimination (Employment and Occupation) Convention, 1958 (No. 111)

#### Governance (priority) Conventions

The ILO Governing Body has also designated another four Conventions as governance (or priority) instruments, thereby encouraging member States to ratify them because of their importance for the functioning of the international labour standards system. The ILO Declaration on Social Justice for a Fair Globalization , in its Follow-up, emphasizes the significance of these Conventions from the viewpoint of governance.

The four governance Conventions are:

1. Labour Inspection Convention, 1947 (No. 81)
2. Employment Policy Convention, 1964 (No. 122)



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3. Labour Inspection (Agriculture) Convention, 1969 (No. 129)

4. Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144)

#### ILO activities

The ILO's traditional role of standard-setting is today supplemented by extensive operational programmes and educational, research and publishing work.

#### Standard-Setting Activities

Since the beginning, ILO has been involved in elaborating and adopting international labour standards. In addition to standards protecting and improving labour and working conditions, there are standards to guarantee basic human rights. The most notable of these are freedom of association, the abolition of forced labour, and elimination of discrimination in employment. Other standards cover the entire range of work-related issues, such as minimum wages, labour administration, industrial relations, employment policy, working conditions, social security, occupational safety and health, employment of women, employment of migrant workers, and so on.

Standards take the form of international conventions and recommendations. Conventions are subject to ratification by Member States, upon which governments are obliged to apply them in national law and practice. Recommendations, on the other hand, are not binding. They provide guidelines for national practice. Conventions and recommendations form the International Labour Code. From 1919 to 1996, 180 conventions and 187 recommendations were adopted.

An advanced supervisory system exists to ensure that standards are applied. These procedures include a review by a committee of independent experts and by the organization's tripartite bodies of government reports on the application of ratified conventions and of action taken on recommendations. Each year, the Committee of Experts on the Application of Conventions and Recommendations examines more than 2700 reports and makes 1500 comments, which are then taken up by a standing committee of the conference. Special machinery exists to examine complaints of nonobservance of ratified conventions.

ILO has also stepped up its assistance to Member States in this field through direct contact and consultative missions. It also provides advisory services, organizes seminars and study courses, and disseminates information on international labour standards.

#### Technical Cooperation Activities

Standard-setting is supported by a major programme of technical cooperation designed to help developing countries raise their living standards and make full productive use of their human resources.

Main fields of action are employment creation, including projects to mitigate the social cost of economic restructuring, vocational training, enterprise and cooperative development, conditions of work and the working environment, labour administration, labour relations and social security.

The ILO works actively with governments to set up and implement cooperation projects. However, in line with the recommendations of its resolution on Technical Cooperation Programmes, adopted by the International Labour Conference in 1979, ILO operational activities now have tripartite participation, which increasingly involve not only government agencies but also workers' and employers' organizations in project preparation and implementation. Under a policy of active partnership with its constituents, the ILO has now established 14 multidisciplinary teams of technical specialists to provide rapid advisory assistance.



The major share of expenditure on technical cooperation goes to Africa, followed by Asia and the Pacific, the Americas, the Middle East and Europe. (In 1994 Eastern Europe received more technical cooperation than the Middle East).

#### Education, Research and Information Activities

Research and documentation also underpin ILO's standard-setting and operational work and involve many research programmes, as well as the production and distribution of a considerable body of publications.

The ILO compiles information on social conditions in every country of the world. For example, Labour Law Documents, published three times a year, reports changes in social legislation throughout the world. The annual Year Book of Labour Statistics is one of the world's major international reference works. It is updated periodically by the Bulletin of Labour Statistics, which contains statistical tables, methodological information and notes about labour statistics.

World Employment 1995 and the World Labour Report in English, French and Spanish, review key developments and policy trends in the main fields of ILO interest. The International Labour Review contains the results of original research and thought on economic and social topics of international interest affecting labour, international comparative studies, and analyses of experiences at the national level.

ILO research is designed "to throw new light on labour problems, to suggest ways of solving them and to indicate means by which these solutions can be put into effect." It is also used in preparing reports for consideration by the international Labour Conference and for other specialized meetings and conferences. Reports prepared for the annual conference, for the four ILO regional conferences covering Africa, the Americas, Asia and Europe, and for industrial and other meetings can be obtained from ILO's publications service. Information on ILO activities, texts adopted by the international Labour Conference, and official documents are also available.

The international Institute for Labour Studies, set up by ILO in Geneva in 1960, specializes in higher education and research into social and labour policy. The institute also serves as a forum through its roundtables and its series of public lectures. Each year, it issues various publications, research papers, bibliographies and educational materials, in addition to contributing to other publications.

#### Promotion and Planning of Employment

Assistance to Member States in the fight against unemployment and poverty is still a major responsibility of the ILO.

A key programme, Employment and Development, places employment at the centre of ILO's development strategy. Its aims are to:

- provide assistance to Member States in the formulation and implementation of employment and development policies;
- promote and assist in the implementation of sectoral policies and policies on technology design and dissemination;
- provide assistance in the formulation and implementation of man power and labour market policies;
- promote equality of opportunity and treatment for migrant workers and their families;
- provide assistance in the design and implementation of programmes and projects for direct employment creation and income generation for vulnerable groups;



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- improve the information base for monitoring employment and labour market trends and for the formulation of employment policies; and
  - strengthen the capacity of Member States to formulate and implement employment-promoting programmes and projects.

Special emphasis is put on reducing the social costs of economic restructuring and assisting countries in transition to a market economy system.

Promoting employment concerns all sectors of industry and agriculture in the formal economy. However, there is particular emphasis on technical cooperation projects aimed at either increasing direct employment and income in the rural and informal sectors or providing services and assistance to micro-enterprises.

In addition to ILO technical assistance to implement policies and programmes, the ILO continues to promote the adoption and to supervise the implementation of international labour standards in the field of employment, such as equal opportunities for women. At the same time, ongoing applied research focuses on such questions as the impact of structural adjustment programmes on employment, how to introduce more labour intensive production techniques, obstacles to promoting the urban informal sector, and so on. The ILO also maintains databases of labour market and socioeconomic indicators for employment monitoring.

#### Development of Human Resources

The development of human resources is another area of concern to ILO. The objectives of its training programmes are to:

- strengthen the capacity of training systems to respond rapidly to changing labour market demands resulting from technological change, structural adjustment, demographic trends or the transition to a market economy;
- increase the cost-effectiveness of public sector training systems and develop more diversified sources of funding for them;
- enhance opportunities for training, gainful employment, social integration and career development for special groups, and in particular for women and disabled persons;
- strengthen Member States' capacity to take responsibility for and manage their own human resources development programmes, including the related policy analysis and implementation;
- strengthen the role of employers' and workers' organizations in human resources development policy formulation and programme implementation at the country and organization levels; and
- assist countries in which the basic social and economic infrastructure has been destroyed and undertake skills and entrepreneurship training for countries emerging from armed conflict.

Apart from direct advice and assistance to governments, ILO conducts research and organizes seminars and meetings about training. It has also adopted a number of recommendations dealing with vocational training, management development, vocational rehabilitation and a convention and a recommendation dealing with human resources development. These provide guidelines to governments, employers and workers in establishing legislation on training and reinforcing national training systems.

According to its statutes, the ILO Training Centre in Turin must "provide training activities at the service of economic and social development in accordance with, and through, the promotion of international labour standards." Courses are designed for people from both industrialized and developing countries,



such as directors in charge of technical and vocational institutions, training officers engaged in technical and vocational activities, managers in private and public enterprises, trade union leaders, and technicians. The centre has reinforced its position as the hub of UN training facilities with the decision by former UN Secretary General Boutros Boutros-Ghali that the new UN Staff College be housed there.

#### Improvement of Living and Working Standards

ILO action in the field of living and working standards is guided by the following principles:

- work should take place in a safe and healthy environment;
- conditions of work should be consistent with workers' well-being and human dignity;
- and work should offer real possibilities for personal achievement, selffulfilment and service to society.

One of ILO's major programmes is devoted to making work more human by promoting conditions in which work respects the workers' life and health. leaving free time for rest and leisure. The programme covers the following main areas: occupational safety and health, dissemination of safety and health information, and conditions of work and welfare facilities.

The programme seeks to increase the capacity of Member States to prevent occupational accidents and work-related diseases and to improve working environments. Emphasis is again placed on supporting the application of international labour standards. In this way, ILO helps formulate, evaluate and update national policies and programmes, establish occupational safety and health infrastructures, and promote participatory approaches that facilitate voluntary action and action-oriented training.

The programme is also designed to help Member States apply new information to occupational safety and health policies. The exchange of safety and health information takes place through the International Occupational Safety and Health Information Centre (CIS), with the assistance of designated institutions in 90 Member States. The ILO-CIS Bulletin and Occupational Safety and Health Series provide channels for exchange of international information on law, practice and training activities in the field of occupational safety and health. During the 1996-1997 biennium, essential safety and health information will be disseminated widely in the fourth edition of the ILO Encyclopedia of Occupational Health and Safety, one of the world's standard reference works.

Finally, this programme helps Member States provide essential minimum protection and progressive improvements in working conditions and welfare facilities, such as adoption of measures to protect workers from excessive working hours and measures giving workers and their families access to work related welfare facilities and services including food services, child care facilities, counselling, transport, health care and so on.

ILO has invested considerable effort in recent years in its Equality for Women on Employment and Elimination of Child Labour programmes, and this will continue. ILO is providing direct assistance to several countries in the formulation and implementation of their national child labour policies and programmes. This is a result of the ongoing work of the 1992-1993 interdepartmental project on the Elimination of Child Labour and the International Programme on the Elimination of Child Labour (IPEC), funded by contributions from Australia, Belgium, France, Germany, Norway, Spain and the United States.

The ILO has been the organization responsible for promoting social security since its foundation. The basic aim of social security is to provide the following guarantees:

- maintain people's livelihood by providing substitution benefits in the event of loss of income resulting either from temporary or permanent incapacity (through illness, accident, disability or old age), loss of employment, or the death of the breadwinner; and



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· access to preventive and curative medical care and also to rehabilitation.

Many of the ILO's international minimum standards concern social security and are periodically reviewed, updated and supplemented. The setting of these standards is based on major research programmes, the results of which are published in *The Cost of Social Security* and in case studies. Standard-setting is supplemented by practical activities to help developed and developing countries set up, expand, update and consolidate their social security systems and make them more effective.

Considerable attention is given to promoting equality of treatment between non-nationals and nationals in social security through bilateral and multilateral coordination of national legislation. The ILO has close relations with the International Social Security Association (ISSA) and with the Inter-American Committee on Social Security (IACSS).

#### Development of Social Institutions

With respect to members' legislation, labour relations, and administrative systems, ILO assists governments, employers' and workers' organizations in building or consolidating institutions and mechanisms to improve living and working standards and social justice. The ILO is active in such fields as labour law and relations, labour administration, workers' education and promotion of employers' activities.

Activities in labour legislation and labour relations programmes are designed to promote tripartism, encourage the development of labour relations systems, improve labour legislation on matters such as individual employment relationships, and develop remuneration policies based on 110 principles and on each country's conditions and requirements. ILO missions in several countries provide technical advisory services on these issues. In this way, ILO supports technical projects that help governments review various aspects of their labour relations systems and their labour legislation.

The ILO also runs a workers' education programme, which encourages workers to organize and helps trade unions improve their structure and activities, negotiating skills, capacity to participate in decision making, and ability to defend and promote their members' interests. The programme provides technical support and advisory services to education and research activities by trade unions in all parts of the world. It also sponsors educational projects, including seminars, courses and assistance in establishing and improving trade union educational programmes. ILO worker education manuals, handbooks, booklets and the bulletin *Labour Education* are produced in several languages.

Finally, the ILO promotes employers' activities. ILO has always had close relations with employers and their organizations at national and international levels through a specialized service, established in ILO's early days. Since then, ILO has developed technical cooperation activities to promote the establishment of independent or representatives employers' organizations, particularly in developing countries.

Throughout its activities. ILO seeks to promote employment, ensure training and retraining, improve living and working conditions and protect the safety and health of all workers. It also devotes time to labour and social problems in specific economic sectors and occupational categories.

It was for this purpose that the ILO Governing Body created a system of industrial committees and similar meetings to deal with these issues. ILO's industrial specialists also liaise closely with government services and workers' and employers' organizations in the sectors concerned. This enables the organization to carry out research, prepare reports and studies, and provide technical advice. These activities are integrated into a Programme of Sectoral Activities and concern employment, labour and social issues in all major industries and in the public sector.



## MODULE-3 CHAP-4 PART-5 TRADE UNION ACT, 1926

### INTRODUCTION:

"Trade Union" means any combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive conditions on the conduct of any trade or business

Trade unions are formed to protect and promote the interests of their members. Their primary function is to protect the interests of workers against discrimination and unfair labour practices.

### DEFINITION OF TRADE UNION:

A trade union is such an organisation which is created voluntarily on the basis of collective strength to secure the interests of the workers.

### REGISTRATION PROCESS OF TRADE UNION:

#### 1. Appointment of registrars (Sec. 3)

-Appointed by "appropriate Government" appropriate Government can also appoint as many additional and Deputy Registrars of trade unions. But limits will be defined by Registrar

#### 2. Mode of registration (Sec. 4)

-Any 7 or more members of Trade Union can subscribe to the charter of TU by application and complying with the provisions of this Act.

#### 3. Application for Registration (Sec. 5)

-Application for registration of TU shall be made to Registrar in comply with Rules and statement of following particulars:

- Names, Occupations & Address of the members
- Name of the Trade Union & Address of its head office
- Titles, Names, Ages, Addresses & Occupations of office Bearers of TU
- Where is Existence of TU from past 1 Year before making this application

#### 4. Provisions to be contained in the Rules of Trade Unions (Sec. 6)

- Name of TU
- List of members of TU and their inspection
- Whole of the objects for which the TU has been established.





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- Admission of ordinary members (employee) to whom TU is connected & the
  - Whole of the purpose for which the general funds of the TU shall be applicable.
  - Conditions under- benefit entitled to members
  - Appointment and removal office Bearer/Dissolve of TU
  - Manner of Annual Audit of the account books
5. Power to call for further particulars and to require alterations of names (Sec. 7)
- If TU is proposed to be registered is identical with that by which any other existing
  - Shall refuse to register TU until such alteration has been made.
6. Registration (Sec. 8)
- Registrar, on being satisfied that the TU has complied with all the requirements of this Act in regard to registration,
  - Shall register the TU within a period of such compliance.
7. Certificate of registration
- In the prescribed form which shall be conclusive evidence that the Trade Union has been duly registered under this Act.

#### TYPES OF UNION:

Generally there are four types of trade unions are:

##### Type # 1. Craft Union:

- The workers belonging to the same craft, specialized skill or same occupation can form their trade union irrespective of industry or trade they be employed.
- For example, mechanists working indifferent industries may form a union of mechanists only. In the same way electricians, carpenters, and turners may form their separate unions.
- Therefore, craft unions are open to members of a certain trade/skill, like Air India Navigator's unions and Indian Pilots Guild.
- The main drawback of this union is that during strike in craft union, the entire working of the organisation paralyze because the workers of this union cannot be easily replaced by other workers. Their unions generally oppose technologically advances in the organisation.

##### Type # 2. Industrial Union:

- The workers on the basis of industry can form unions irrespective of their craft. For example, if entire workforce of a cement industry decides to form a union consisting of workers of different craft; the union is called an industrial union.
- Therefore, an industrial union is open to the members of workers of a factory like Girmi Kamgar Union at Bombay.
- This type of union encourages workers solidarity and makes negotiations easy because a single agreement covers all workers of a particular industry.
- One major drawback of this type of union is that the skilled workers in it feel that their specific demands are not scientifically taken care of.



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Type # 3. General Union:

- This type is open to all members irrespective of their craft and industry within a particular city or region.
- For example, Jamshedpur Labour Union, whose membership includes workers engaged indifferent industries and crafts of Jamshedpur.
- In this case, there is no distinction between skilled and unskilled workers.

Type # 4. Federations:

- These are national level apex bodies in which plant level unions, craft unions, industrial union and general unions are affiliated. They coordinating the affairs of various unions in their fold.

BASIC RIGHTS OF TRADE UNION:

- Objects on which general funds may be spent
- Constitution of a separate fund for political purposes
- Criminal conspiracy in trade disputes Immunity from civil suit in certain cases Enforceability of agreements
- Right to inspect books of Trade Union
- Rights of minors to membership of Trade Unions
- Rights and Liabilities of Registered Trade Unions:

1. Objects on Which General Funds May Be Spent:

- The general funds of a registered trade union shall not be spent on any other objects than the payment of salaries, allowances and expenses to the office bearers of the trade unions; expenses for the administration of the trade union; the presentation or defiance of any legal proceeding to which the trade union of any member thereof is a party; the conduct of trade disputes and compensation of members for loss arising out of trade disputes; provision of education, social or religious benefits for members; upkeep of a periodical published.

2. Constitution of a Separate Fund for Political Purposes:

- A registered trade union may constitute a separate fund, from contributions separately levied for or made to that fund, from which payments may be made for the promotion of the civic and political interests of its members, in furtherance of any of the objects such as the payment of any expenses incurred, either directly or indirectly; the holding of any meeting or the distribution of any literature/documents in support of any such candidate; the registration of electors of the selection of a candidate for any legislative body constituted under or for any local authority; the registration of electors or the selection of a candidate for any legislative body constituted under/or for any local authority; holding of political meetings of any kind.

3. Criminal Conspiracy in Trade Disputes:

- No office bearer or member of a registered trade union shall be liable to punishment under sub-section (2) of Section 120 B of the Indian Penal Code, 1860 in respect of any agreement made between the members for the purpose of furthering any such object of the trade union as is specified in section it's unless the agreement is an agreement to commit an offence.

4. Immunity from Civil Suit in Certain Cases:



- No suit or other legal proceeding shall be maintainable in any civil court against any registered trade union or any office bearer or member thereof in respect of any act done in contemplation or furtherance of a trade dispute to which a member of the trade union is a party on the ground only that such act induces some other person to break a contract of employment, or that is in interference with the trade, business or employment of some other person or with the right of some other person to dispose of his capital or of his labour as he wills.
  - A registered trade union shall not be liable in any suit or other legal proceeding in any civil court in respect of any fortuitous act done in contemplation or furtherance of a trade dispute by an agent of the trade union if it is proved that such person acted without the knowledge of, or contrary to express instructions given by the executive of the trade unions.
5. Enforceability of Agreements:
- Not with standing anything contained in any other law for the time being in force, an agreement between the members of a registered trade union shall not be void or voidable merely by reason of the fact that any to the subjects of the agreement are in restraint of the trade.
6. Right to Inspect Books of Trade Unions:
- The account books of a registered trade union and the list of members thereof shall be open to inspection by an office bearer or member of the trade union at such times as may be provided for in the rules of the trade union.
7. Right of Minors to Membership of Trade Unions:
- Any person who has attained the age of 18 years may be a member of a registered trade union subject to any rules of the trade union to the contrary, and may subject as aforesaid, enjoy all the rights of a member and execute all instruments and give all acquittances necessary to be executed or given under the rules.

SR. NO.	QUESTION	ANSWER
1	A “_____” is a process of evaluating an employee’s performance of a job in terms of its requirements.	Performance appraisal
2	_____ is the step where the management finds out how effective it has been at hiring and placing employees.	Performance appraisal
3	Which of the below is not an objective of Performance appraisal	Designing Organisational goal
4	Performance appraisal aims at	goals of employees & Goals of organisation
5	Which of the following is not an aim of performance appraisal	Which of the following is not an aim of performance appraisal
6	_____ is not a step of performance appraisal	adjusting the



7	The expected outcome from the employee at the time of performance appraisal is known as	standard
8	When the actual performance of the employees are measured then it will be compared with	standard
9	The actual performance is compared with the standard performance to	Identify the gap
10	Communicating the _____ to the employees is necessary so that they can perform accordingly	standards
11	_____ is to identify the strengths and weaknesses of employees to place right men on right job.	Performance Appraisal
12	_____ is not included in the advantages of Performance Appraisal	Selection
13	The performance Appraisal method BARS stands for	Behavioral Anchored Ranking Scale
14	. _____ is an entire exercise done under the trainer who observes the employee behavior and then discusses it with the rater who finally evaluates the employee's performance.	Assessment Center
15	_____ method is used to have a detailed evaluation of an employee from all the perspectives.	360 degree
16	Which of the following is not a Performance Appraisal Biases	Wrong survey
17	. "If a worker has few absences, his supervisor might give him a high rating in all other areas of work" this is an example of _____ bias in Performance Appraisal	Halo effect
18	"He is not formally dressed up in the office. He may be casual at work too!". This is an example of _____ bias in Performance Appraisal	Horn effect
19	First Impression in a performance appraisal bias denotes	Primary effect
20	"A professor, with a view to play it safe, might give a class grade near the equal to B, regardless of the differences in individual performances". This is an example of _____ bias in Performance Appraisal	Central Tendency



21	“The person who was a good performer in distant past is assured to be okay at present also”. This is an example of _____ bias in Performance Appraisal	Spill over effect
22	_____ evaluates whether human resource programs being implemented in the organization have been effective.	Performance appraisal
23	The actual performance of an individual is measured in terms of its _____	efficiency and effectiveness
24	This step of performance appraisal process finds out the deviation occurred in actual performance	Discuss Appraisal With The Employee
25	The corrective actions in Performance include	Both a & b
26	Administrative use of performance appraisal does not include	Feedback to employee’s
27	Benefits of Performance Appraisal to the organisation does not include	Motivation
28	The rater is forced to answer the ready-made statements as given in the blocks of two or more, about the employees in terms of true or false.	
29	This method of performance appraisal is known as	This method of performance appraisal is known as
30	Modern method of performance appraisal does not include	Modern method of performance appraisal does not include
31	The concept of MBO was developed by	Peter Drucker
32	_____ is designing and implementing total compensation package with a systematic approach to providing value to employees in exchange for work performance.	Compensation Management
33	. _____ is a systematic approach to providing monetary value to employees	Compensation
34	Compensation is a systematic approach to providing monetary value to employees in exchange for _____	work performed
35	Among the given below points which is not an objective of Compensation	To improve the performance



36	_____ refers to monetary benefits offered and provided to employees in return of the services they provide to the organization.	Direct Compensation
37	_____ refers to non-monetary benefits offered and provided to employees in lieu of the services provided by them to the organization	Indirect Compensation
38	Which of the below is not a part of direct compensation	Medical Assistance
39	Special allowance is a part of	Direct Compensation
40	Which of the below is not a part of indirect compensation	Conveyance
41	PF/Gratuity is a part of _____ compensation	Direct
42	The two considerations in traditional approach to compensation management are	Internal and external
43	Compensation is a _____ approach to providing monetary value to employees in exchange for work performed	systematic
44	Compensation Management is _____ and _____ total compensation package with a systematic approach to providing value to employees in exchange for work performance	designing and implementing
45	_____ Compensation are given at a regular interval at a definite time.	Internal
46	Industrial relations cover the following area(s)	Collective bargaining Labour legislation Industrial relations training
47	A course on Industrial relations in its MBA programme was firstly introduced by	XLRI Jamshedpur
48	Which of the following is not an approach to industrial relations?	Employee's approach
49	Under unitary approach, industrial relation is grounded in	Mutual co-operation Individual treatment Team work and shared goals
50	Pluralistic approach perceives _____ as legitimate representative of employee interests	Trade unions
51	In Marxist approach, concerns with wage related disputes are	Secondary
52	For the Marxists, all strikes are	Political
53	Which of the following is (are) not acceptable to Marxists?	Enterprise bargaining Employee participation Co-operative work culture



54	Elton Mayo and his team believed in the positive nature of	Employees
56	Parties to industrial relations are	ILO, Government, Association of employers
57	Which of the following department has major interest in harmonious industrial relations	HR
58	The following is (are) included in ILO's standards with regard to industrial relations	Right of association Right to organize and collective bargaining Tripartite consultants
59	According to Indian Labour Commission (ILC) major recommendations, Union once recognised should be valid for a period of ____ years to be co-terminus with the period of settlement.	Four
60	In case of retrenchment, worker is entitled to ____ months notice or notice pay in lieu of notice.	Two
61	Strike should be called only if at least ____ percent of workers are in support of strike.	15
62	A proactive industrial relations programme must cover the following decision(s)	Communication Competence Discipline and conflict
63	Under which of the following legislations there is a provision called 'protected workmen'?	Industrial Disputes Act, 1947
64	Which one of the following is not a machinery for settlement of Industrial Disputes under the Industrial Disputes Act, 1947?	Collective Bargaining
65	Under which Schedule of the Industrial Disputes Act, 1947 Public Utility Services have been listed out?	1 <sup>st</sup> Schedule
66	Which of the following statements about the definition of industry as given in the Industrial Disputes Act, 1947 is not right?	The revised definition has been implemented after due notification
67	'First come last go and last come first go' is the principle of	Closure
68	Which of the following is machinery for settlement of industrial disputes?	Industrial Tribunal
69	'Award' under Industrial Disputes Act, 1947 is	Not interim determination of labour court Not arbitration award under Section 10A Not final determination of labour court
70	Grievance Handling Machinery is given in	Factories Act
71	The dispute of individual workman is deemed to be industrial dispute if the dispute or difference is connected with or arising out of the following where no other workman nor any union of workman is a party to the dispute.	The dispute of individual workman is deemed to be industrial dispute if the dispute or difference is connected with or arising out of the following where no other workman nor any union of workman is a party to the dispute.
72	List of unfair labour practices on the part of the trade unions and employers was included in	Trade union Act



73	Which of the following is an illegal industrial action as per law?	Which of the following is an illegal industrial action as per law?
74	Under the Industrial Disputes Act, which of the following cannot be considered as an industrial dispute?	When the lock-out is in disguise of closure
75	Which of the following statements about the Grievance Redressal Machinery given under the Industrial not true?	There is a 45 days time limit from the date of written application to complete the proceedings.
76	The ongoing globalization in India requires drastic changes under which of the labour legislations?	The Factories Act
77	_____ is a system & a technique of resolving an industrial dispute through negotiation between employers & the representatives of employees without any help of an arbitrator.	Collective Bargaining
78	Collective Bargaining is mode of hoe many words?	2
79	What are features of Collective bargaining?	Two party process Continuous process Dynamic
80	Collective bargaining helps to create a sence of job security among employees from whose point of view?	Management's
81	CB helps in implementation of _____	Labour Legislation
82	There must be a change in the _____ of employers & employees.	Attitude
83	How many steps are there in CB process?	5
84	What is called the result of collective bargaining procedures?	Collective bargaining agreement
85	What is the full form of ADR?	Alternative Dispute Resolution
86	What is the full form of ILO?	International Labour Organization
87	In which year the organization received the Nobel peace prize?	1969
88	The ILO was found in which year?	April 1919
89	How many parties are there of the ILO?	3
90	Which tripartite are there in ILO?	Workers Governments Employees





91	Guy Ryder was the ILO's director general since _____.	2012
92	The ILO organizes the international labour conference in Geneva every year in _____	June
93	Right to organize & collective bargaining convention in ____	1949
94	What are the securities included in ILO?	Sickness insurance Night work Equal process
95	What is the full form of ILS?	International Labour Standards
96	How many methods are there for resolving disputes?	7
97	Which is one of the oldest & most effective weapons of labour in its struggle with capital for securing economic justice?	Strike
98	Which method means temporary removal of employees?	Layoff
99	In retrenchment the employee must be given _____ month's notice in writing indicating the reasons for retrenchment or wages in _____ of such notice ?	one
100	What are the sources of industrial conflict?	Technological change change in work location Share of revenue
101	What are the measures of industrial conflict ?	Government Machinery Non-statutory Statutory
102	What are the trade unions in India?	INTUC AITUC CTTU
103	What are the objectives of Trade Unions?	Wages salaries Working conditions Discipline
104	What is the full form of MBO?	Management By Objectives



105	Which method of PA makes employee feel much more accountable?	360 Feedback
106	Concept of MBO was first developed by	Peter Drucker
107	Industrial discipline ordinarily does not imply	active participation in union activities
108	A strike called by a section of workers/union members without authorisation from proper authority of the union is called	wild cat strike
109	Which is a form of participative management?	information-sharing, information-sharing, consultative participation
110	Social factor having a potent bearing on HRM practices in India includes	caste system
111	T&D programme in international HRM should give due attention to	promotion of efficiency of personnel in the host country understanding of the cultural environment of the host country improvement of technical expertise
112	International staffing does not give much emphasis on the consideration of	political consciousness
113	The objectives of workers' participation in management do not ordinarily include	promotion of collective bargaining
114	identification of HRD elements and resources	To increase productivity of workers / and organisational profitability To increase productivity of workers / and organisational profitability
115	To increase productivity of workers / and organisational profitability	Openness of view and unwritten procedure systems Regular review / appropriate leadership
116	For Total Quality Management (TQM) the required qualities are:	Mutually beneficial suppliers relationships enhances the ability to create value and (b) also
117	The advantages of staffing from amongst the host country nationals generally do not include	greater control over the activities of the organisation
118	greater control over the activities of the organisation	TQM
119	Industrial action generally does not include	Bandh
120	The role of HRD personnel is to –	description of entire process / analytical decomposition identification of HRD elements and resources
121	A “_____” is a process of evaluating an employee's performance of a job in terms of its requirements.	Performance appraisal
122	Which of the below is not an objective of Performance appraisal	Designing Organisational goal
123	Performance appraisal aims at	goals of employees Goals of organisation



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124	Which of the following is not an aim of performance appraisal	Training
125	_____ is not a step of performance appraisal	adjusting the standards
126	The expected outcome from the employee at the time of performance appraisal is known as	standard
1247	When the actual performance of the employees are measured then it will be compared with	standard
128	The actual performance is compared with the standard performance to	Identify the gap
129	Communicating the _____ to the employees is necessary so that they can perform accordingly	standards
130	_____ is designing and implementing total compensation package with a systematic approach to providing value to employees in exchange for work performance.	Compensation Management