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Total number of printed pages – 4

**MBA**  
**MBA 405C**

**Fourth Semester Examination – 2013**

**INDUSTRIAL RELATIONS**

**QUESTION CODE : A 428**

**Full Marks – 70**

**Time : 3 Hours**

*Answer Question No. 1 & 2 are compulsory and any **four** from the rest.*

*The figures in the right-hand margin indicate marks.*

1. Answer the following questions : 2 × 10
- (a) Briefly explain the role of three major stakeholders in the Industrial relation system.
  - (b) Differentiate between Sidney and Beatrice Webb and Allan Flander's theories on collective bargaining.
  - (c) Differentiate between Mahatma Gandhi and Karl Marx's theories on trade unionism.
  - (d) If nine employees of an organization apply for registration of a trade union and in due course of time after applying, five employees withdraw, then precisely explain with justification whether the trade union would be registered.
  - (e) Ramesh and Suresh, both of whom are grade III employees of a paper mill, get into a heated argument, followed by physical hawking at the workplace. How will this episode be handled by the management ?
  - (f) Bring out four points necessary to make a collective bargaining process successful.

**P.T.O.**

- (g) What is the difference between bipartism and tripartism and which one do you think is better ?
- (h) What is the importance of trade union recognition ?
- (i) What do you understand by 'Grievance settlement authority' ? Is it an official or a legal provision ?
- (j) What do you understand by ratification of an ILO convention by a country ?

2. Case Study :

For Bata, labor had always posed major problems. Strikes seemed to be a perennial problem. Much before the assault case, Bata's chronically restive factory at Batanagar had always plagued by labor strife. In 1992, the factory was closed for four and a half months. In 1995, Bata entered into a 3-year bipartite agreement with the workers, represented by the then 10,000 strong BMU, which also had the West Bengal government as a signatory. On July 21, 1998, Weston was severely assaulted by four workers at the company's factory at Batanagar, while he was attending a business meet. The incident occurred after a member of BMU, Arup Dutta, met Weston to discuss the issue of the suspended employees. Dutta reportedly got into a verbal duel with Weston, upon which the other workers began to shout slogans. When Weston tried to leave the room the workers turned violent and assaulted him. This was the second attack on an officer after Weston took charge of the company, the first one being the assault on the chief welfare officer in 1996. In February 1999, a lockout was declared in Bata's Faridabad Unit. Middleton commented that the closure of the unit would not have much impact on the company's revenues as it was catering to lower-end products such as canvas and Hawaii chappals. The lock out lasted for eight months. In October 1999, the unit resumed production when Bata signed a three-year wage agreement. On March 8, 2000, a lockout was declared at Bata's Peenya factory in Bangalore, following a strike by its employee union. The new leadership of the union had refused to abide by the wage agreement, which was to expire in August 2001. Following the failure of its negotiations with the union, the management decided to go for a lock out. Bata management was of the view that though

it would have to bear the cost of maintaining an idle plant (Rs. 3 million), the effect of the closures on sales and production would be minimal as the footwear manufactured in the factory could be shifted to the company's other factories and associate manufacturers. The factory had 300 workers on its rolls and manufactured canvas and PVC footwear. In July 2000, Bata lifted the lockout at the Peenya factory. However, some of the workers opposed the company's move to get an undertaking from the factory employees to resume work. The employees demanded revocation of suspension against 20 of their fellow employees. They also demanded that conditions such as maintaining normal production schedule, conforming to standing orders and the settlement in force should not be insisted upon. In September 2000, Bata was again headed for a labour dispute when the BMU asked the West Bengal government to intervene in what it perceived to be a downsizing exercise being undertaken by the management. BMU justified this move by alleging that the management has increased outsourcing of products and also due to perceived declining importance of the Batanagar unit. The union said that Bata has started outsourcing the Power range of fully manufactured shoes from China, compared to the earlier outsourcing of only assembly and sewing line job. The company's production of Hawaii chappals at the Batanagar unit too had come down by 58% from the weekly capacity of 0.144 million pairs. These steps had resulted in lower income for the workers forcing them to approach the government for saving their interests. PS : Weston resigned on January 30, 2001. This came as a severe setback to the Bata management.

Give your opinion about the IR relation climate at Bata and suggest measures to improve it. 10

3. Considering the various approaches to Industrial relations, which one do you think is most befitting for the present business environment. 10
4. As an IR manger in an organization manufacturing aluminium sheets and having 400 employees in it's plant, you are likely to face many challenges. In a situation, where a worker at the shopfloor, meets with an accident and dies, there results a chaotic situation. The workers and trade unions are not willing to leave the dead

body for cremation. How will you handle the situation ? (please answer stepwise with justification). 10

5. Explain lucidly the mechanisms of settlement of industrial disputes under Industrial Dispute Act, 1947, emphasizing on the various authorities, procedures, powers and duties of the authorities, period of operation of settlements and awards. 10
6. You are the HR manager of a retail chain having 1000 employees spread over various branches in the country. Design a grievance redressal procedure for the organization, which can be implemented in all its branches. 10
7. Elaborate on the concept, importance and forms of workers participation. 10
8. Bring out the importance of ILO in providing dignity to workers and protecting their rights in its member countries. 10