

CHALLENGES AND SOCIAL RESPONSIBILITIES OF TRADE UNION IN CHANGING BUSINESS ENVIRONMENTS

Nishi Bala,

Lecturer in Management,

Doraha institute of Management & Technology, Doraha - Ludhiana

Dr. Sharmila Dayal,

Department of Commerce, A.S. College, Mawana

Industrialisation provides favorable conditions for workers to come into contact with each other, to share common perceptions and to feel solidarity and sympathy for each other. The industrial way of life has brought in its wake a host of concerns and issues which have led to periodical discussions. As a result, a set of relationships in a totally different work context has been established in the meanwhile organisations grew and contributed to their viability to create a new work environment Thus, union development is necessarily related with and conditioned by the changes in the whole socio-economic set up. But the increasing complexity and dynamism of modern factory system has widened the gap between those who manage industry and those who work in it. This gives rise to conflicts in labour-management relations, resulting in strike/ lockouts, ultimately the loss of production and wages and hardships to the society.

Presently, the trade unions are playing a crucial role in helping the workers to realise their real status by inculcating a sense of responsibility and awareness of their importance in industrial development in industrially advanced countries collective agreements have proved an effective method to maintain peaceful installations But in developing countries like ours, the problem is serious due to the weak organisations of trade unions Industrial relations would be cordial if workers and managers work with mutual cooperation having full faith in each other. Though the task is complex yet the concept of industrial relation has a wider meaning. It refers to relationship that emerges out of day to day working and association of labour and management. It depend upon economic, social and psychological satisfaction of both parties Higher the satisfaction, healthier the relationship.

The trade union came into being as an agent of workers and working class at large. It performs, and still performs two functions, one to work for the redistribution of some of the nation's wealth by raising wages and earnings of its members. A trade union is a monopolistic

Nishi Bala and Dr. Sharmila Dayal (Dec. 2009). CHALLENGES AND SOCIAL RESPONSIBILITIES OF TRADE UNION IN CHANGING BUSINESS ENVIRONMENTS

International Journal of Economic Perspectives, 3(1), 66-73.

Retrieved from: <https://ijeponline.com/index.php/journal/issue/view/3>

combination of wage-earners who as individual producers are complementary to one another but who stand to employers in a relation of dependence for the sale of their labour and production and that the general purpose of association is in view of that dependence to strengthen their power to bargain with the employers or bargaining collectively Similarly, Indian Trade Union Act, 1926, found that a trade union is a combination, whether temporary or permanent former primarily for the purpose of (a) regulating the relations between workmen and employers, or between workmen and workmen, between employers and employers, or (b) for imposing restrictive conditions on the conduct of any trade or business and includes any federation of two or more trade unions. In the same way. British Ministry of Labour defined trade union as All organisation of employees Including those of salaried and professional workers as well as those of manual wage earners which are known to include among their functions that of negotiating with their employers with the object of regulating conditions of employment. Therefore, trade union plays a major role to protect, maintain and improve economic, social and vocational interests of their members.

In a new wave of liberalization, privatisation, and globalisation since 90's, a new ray of hope has arisen among the workers as well as employers. They are to be organised to solve their problems even at international level They have to organise voluntary associations to promote and protect their interests by collective action. To achieve their objectives, they may employ variety of means the means depending on the attitude regarding the economic system they operate, the degree of group and class consciousness among workers. In a sense, they may utilise mutual assistance, collective bargaining, legal enactment method or even resort to strike and gheraos for the welfare activities of the workers.

Trade unions are an important constituent of an industrial relation system. The functions of labour unions are to protect and promote the interest of their members. They therefore, strive to improve the terms and conditions of employment and to advance generally the social well- being of labour by sourcing for them a higher standard of living Trade unions strive not only for the removal of social and economic inequalities but also for checking autocratic protection and arbitrary controls of the management. They set in motion a process of democratization of industry by establishing proper worker-management relations. The operation of the working class is needed in making the economic ranges of the countries, especially of the under-developed countries, effective K V Raghunath Reddy. Minister of Labour Government

of India said in a seminar organised by the Maharashtra INTUC in April 1973. The working class has to see that public sector works profitably and successfully in order to fulfil its objectives and to be in the vanguard of the socialistic forces, the trade union movement will have to be united and to work efficiently with dear ideological purposes.

Need of Trade Unions

The need of trade unions of workers in every country have been more or less the same. The setting up of large-scale industrial units created conditions of widespread use of machinery, new lines of production and brought about changes in working and living environment of workers, and concentration of industries in large towns. All of these developments introduced a new class of workers (that is wage-earners) who were dependent on wages for their livelihood. They were at a disadvantage in an age when the doctrine of laissez faire held the field. In the absence of collective action they were ruthlessly exploited and had to work hard for unbelievably long hours, from sunrise to sunset, in dark and dingy factories and under very tiring conditions and the protest by individual workers could have no effect on the employers because of the plentiful supply of labour. The workers had, therefore, to join together, at least to maintain, if not to improve their bargaining power against the employers in case joint action seems to be inadequate. The practice which workers evolved was joint withdrawal from work. It was this labour protest on an organised scale, through the support of some philanthropic personalities that organised labour unions came to be formed.

Trade Unions are the associations of the employed persons for collective bargaining about their condition of employment and also for the provisions of benefits, legal defence and the promotion of their members' interests by bringing pressure to bear on govt and in certain cases by political action. They undertake other functions, for example educational work, participation in the organisation of industry through cooperative societies or by representation on central boards or in the management of productive operations, but their main work is in the field of collective bargaining in the development of social security legislation to improve the welfare of the working class. The trade union is expected to do a variety of functions, it has to raise the wages of the workers, it has to get various concessions from employers. It should bring about the welfare of workers. It should also help them to lead a better life. It can make a worker a good citizen and thus involves itself in civic & political

Nishi Bala and Dr. Sharmila Dayal (Dec. 2009). CHALLENGES AND SOCIAL RESPONSIBILITIES OF TRADE UNION IN CHANGING BUSINESS ENVIRONMENTS

International Journal of Economic Perspectives, 3(1), 66-73.

Retrieved from: <https://ijeponline.com/index.php/journal/issue/view/3>

activities. In many cases as a representative organisation of workers it has to fight the employers to get a better deal for its members.

As a militant functionary, trade union tries to protect and promote interest of workers by protecting or raising wage rates, by aiming at improving working condition, and by trying to get for workers a share in profits or in management. In order to secure these objectives a trade union uses weapons such as a collective bargaining negotiation or strike of various types. In recent years trade unions have been performing more and more fraternal functions also. In this case a trade union acts as a fraternal association coming to the assistance of workers during sickness or lockouts and strikes when workers are temporarily out of work or during accidents and so on. Such fraternal functions are financed through regular subscription by its members. Political functions of trade union include establishment of a political wing, taking part in elections to capture political power.

As far as the economic hardship of the workers is concerned. the trade union can minimise by raising the wage level in real terms. This does not become a big problem if the workers, by working sincerely, produce enough surplus and the trade unions know the proper method of utilizing their bargaining power. The trade union leaders can arrange cheaper means of recreation which may resemble rural folk entertainment. The trade unions by establishing special cells, can help in solving the problems faced by the new workers in the urban areas and can create for themselves the image of true sympathisers by looking after their members when they are physically ill and mentally depressed. Moreover collecting small monetary subscription from all their members and creating a community fund with it, the unions can help the workers in then moments of crisis and can help Them in setting down initially when they shift from rural areas to the urban areas.

In this world of incessant industrial activities, where the industrial growth is inter-linked with the social, economic & political activities, trade unions have to play more important and responsible role to give safety, social and economic security to the workers community as a whole. To achieve this end trade unions have to change their functions in a cultural and social environment of dedication and discipline to look after not only the interest and welfare of the worker community but also for the nation as a whole. In order to meet the challenges and commitments ahead successfully, trade unions have to come together and work with the

following ways :

- 1) Uniting the working class as one and fighting for better working conditions better working environment, better industrial peace and better industrial productivity.
- 2) Uniting the working class as one and fighting against discrimination malpractices unhealthy labour practices and other injustices to secure social and economic security to the workmen.
- 3] Uniting the working class as one and strive for national progress and prosperity.

The role trade unions have to play in the economic life of the country was recognized in the First Five Year Plan. It said "The employer employee relationship has to be conceived of as a partnership in a constructive endeavour to promote the satisfaction of economic needs of the community in the best possible manner. The workers right to association, organisation and collective bargaining is to be accepted without reservations, the fundamental basis of mutual relationship. The attitude to trade unions should not be just a matter of toleration. They should be welcomed and helped to function as part and parcel of the industrial system. The Third Five year Plan said 'there is need for a considerable re-adaptation in the outlook, functions and practices of trade unions to suit the conditions which have to be accepted and are emerging. They have to be accepted as an essential part of the apparatus of industrial and economic administration of the country and should be prepared for the charge of the responsibilities which are attached to this position. The National Commission labour listed the social responsibilities of trade unions as (1) Promotion of National Integration (2) influencing the socio- economic policies of the community through active participation in their formulation at various levels and (3) Instilling in their members a sense of responsibility towards industry and community.

Social Objectives of Trade Unions

Looking from the social perspective, the prime objective of trade union movement should be to create workers consciousness and social awareness among the working class which are necessary to unite the working community and to protect the interest of the workers. This will enable total participation of workers in the trade union movement and as their welfare, thereby making the movement as a movement of the workers by the workers and for the workers. The ultimate result of this will be increased awareness of the society among the workers and a sense of belonging and confidence to shoulder more and more responsibilities

Nishi Bala and Dr. Sharmila Dayal (Dec. 2009). CHALLENGES AND SOCIAL RESPONSIBILITIES OF TRADE UNION IN CHANGING BUSINESS ENVIRONMENTS

International Journal of Economic Perspectives, 3(1), 66-73.

Retrieved from: <https://ijeponline.com/index.php/journal/issue/view/3>

to speed up the wheel of industrial production and thereby the social and economical pace of Indian Life.

The trade union movement and the workers in changing industrial environment which demands their full attention and talents for national development, should be to exercise maximum restraint and secure the benefits and working facilities through discussions conciliation negotiation and arbitration, A change of outlook on their part and flexibility in the attitude of management is a necessary factor to achieve this Government should persuade all the industries and units to implements the laws, conventions and schemes for the benefit of workers which will solve half of their problems Trade unions on their part have to work hard in order to implement the statutory benefits schemes and to see that the entire working class is brought under the schemes, so that equality and justice can be maintained in the matter of workers welfare. In short, some important social responsibilities of trade union in changing business environment can be fixed as under:

- a) promotion of national integration.
- b) generally influencing the socio-economic policies of the community through active participation in their formulation at various levels, and
- c) instilling in their members a sense of responsibility towards industry and the community.

Areas of work for Trade Unions

Among the most widely accepted areas of work for trade unions, the following are worth-noting:

- i. To bargain collectively and to expand and increase the scope of the collective bargaining system.
- ii. To maintain and expand the security and survival capacity of unions and their ability to withstand attacks, and to back up demands with solidarity.
- iii. To gain and maintain exclusive control of labour supplies in particular labour markets as a means of enforcing union demands for what are regarded as appropriate working conditions.

Nishi Bala and Dr. Sharmila Dayal (Dec. 2009). CHALLENGES AND SOCIAL RESPONSIBILITIES OF TRADE UNION IN CHANGING BUSINESS ENVIRONMENTS

International Journal of Economic Perspectives, 3(1), 66-73.

Retrieved from: <https://ijeponline.com/index.php/journal/issue/view/3>

- iv. To improve the economic status and welfare of union members increasing their earnings and relative share in national income and their influence, both in employment and in the larger societies in which they are members.
- v. To develop and improve the union's programmes, practices, and techniques to be used in conflict and defence of the organisation and in expanding its power.
- vi. To represent member in the area of political action, identifying candidates and office holders who are friendly or unfriendly. lobbying and securing political concessions for unions and their members.
- vii. To maintain a strong organisation, democratically controlled, but with enough internal discipline to implement such policies as have been described above.
- viii. To facilitate improved member understanding of union policies and programmes and increases skills and competence on the part of union officers by appropriate education programs.

In the modern industrial society trade unions are a force in themselves. No managers of working organisations can ignore the influence of trade unions on the behaviour of their work force and on the environment of management. Existence of strong trade unions is a precondition for industrial peace and stability of the industrial economy Decisions taken through the process of collective bargaining and negotiation between the employers and trade unions are bound to be respected by both sides, the employers and the workers. By insisting upon payment of standard rates of wages for their members, trade unions ensure efficient functioning of the industrial units. By organising fraternal functions, they improve the efficiency of workers. Effective trade unions are helpful in avoiding unrest of workers involving extensive absenteeism, frequent, job changes fighting, wandering from one plant or locality to another. On the whole trade unions can do significant work and have supplied a long felt need and filled an important gap. A strong trade union is a guarantee of industrial peace and makes for stability of industry. After globalization, new emerging trends of business have strengthened the hands of employees and employers regarding productivity, performance, efficiency, competitiveness and survival. Thus, for keeping balanced interest of both-labour and business, trade unions are beneficial for a matured employer-union relationship.

Nishi Bala and Dr. Sharmila Dayal (Dec. 2009). CHALLENGES AND SOCIAL RESPONSIBILITIES OF TRADE UNION IN CHANGING BUSINESS ENVIRONMENTS

International Journal of Economic Perspectives, 3(1), 66-73.

Retrieved from: <https://ijeponline.com/index.php/journal/issue/view/3>

BIBLIOGRAPHY

Agnihotri V. " Industrial Relations in India". Atma Ram and Sons, Delhi 1970

Balvinder Arora,' Participative Management and Role of Managers in the System', The Industrial Journal of Labour Economics Vol. 35. No t 1992.

Bhatnagar, Deepti ' Workers Desire for Participation' - An Empincal Study Productivity, Vol 17. No. 4. 1977.

Decenzo, David, A and Robins, Shephen, P. Fundamental of Human Resource Management John Wiley & Sons, 2005.

Dessler Garg. ' Human Resource Management' Prentice Hall of India Pvt Ltd. New Delhi 2007.

First to Eleventh Five Year Plan, Documents. Planning Commission, Govt of India, New Delhi.

Gaur. GL 'Trade Unionism and Industrial Relations', Deep and Deep New Delhi, 1986.

Gupta, CB, Human Resource Management, Sultan Chand and Sons New Delhi, 2008.

Kohli KD. and Joshi RJ, A Study of Labour Relations in Pubic Sector: Enterprises. Shri Ram Centre for Industrial Relation, New Delhi 1983.

Michael V.P., Industrial Relations in Indian and Workers Involvement in Management. Himalaya Publishing House, Bombay, 1979.

Narain, Laxmi Workers Particpation in Public Enterprises. Himalaya Publishing House, Bombay, 1986.