

Grievance Handling Practices, Procedure and Redressal in Indian Industry

Dr. Supriya Choudhary

Abstract- Grievance may be any genuine or imaginary feeling of dissatisfaction or injustice which an employee experiences about his job and it's nature, about the management policies and procedures. It must be expressed by the employee and brought to the notice of the management and the organization. Grievances take the form of collective disputes when they are not resolved. Also they will then lower the morale and efficiency of the employees. Unattended grievances result in frustration, dissatisfaction, low productivity, lack of interest in work, absenteeism, etc. In short, grievance arises when employees' expectations are not fulfilled from the organization as a result of which a feeling of discontentment and dissatisfaction arises. This dissatisfaction must crop up from employment issues and not from personal issues. The manager should immediately identify all grievances and must take appropriate steps to eliminate the causes of such grievances so that the employees remain loyal and committed to their work.

Introduction

A common impression of labour - management relations is that they are generally unsatisfactory. As is well known, various interest groups collaborate in the successful functioning of an organization, including an industry. Broadly speaking, a grievance is any dissatisfaction that adversely affects productivity. Beach defines a grievance as "any dissatisfaction or feeling of injustice in connection with one's employment situation that is brought to the notice of the management,"¹ where as Flippo indicates the grievance as "a type of discontent that must always be expressed. A grievance is usually more formal in character than a complaint. It must grow out of something connected with company operations or policy. It must involve an interpretation or application of the provisions of the labour contract."²

In India, the government has been making a plea for grievance machinery at the plant level ever since 1956 - 58 when the standing committee of the Indian Labour conference submitted a draft on the various aspects of a grievance procedure. The National Commission on labour set up by the Government as a tripartite body in 1969 also spelt

out the nature of grievance and a model grievance procedure. However, this remains a recommendation and is not a statute yet.

Some of the common grievances of employees-real or fancied-heard in industry are³:-

(a) I am placed in grade IX. My present job involves more skill and responsibility compared to others placed in this grade. My repeated representations to place me in the next higher grade have not yet been considered.

(b) My colleague and I joined service on the same day ten years ago. We draw the same salary, he has been allotted a company quarter, and I have been told to wait.

(c) Ten of us work under a foreman. When overtime work comes up, he does not evenly distribute it among all of us. Instead, he gives it to three persons who are his favourites.

(d) My colleague is a very difficult person. The foreman, therefore, does not tell him a thing when he neglects his maintenance work. On the contrary he requests me to do the left over portion

Dr. Supriya Choudhary is working as an Associate Professor, Maharaja Surajmal Institute Guru Gobind Singh Indraprastha University. Dr. Supriya has done M.Com. M.Phil., Ph.D., DOEACC 'O' Level and joined the university in 2005.

of the work of my colleague. How long can I continue to work like this etc.

The instances given above show that an employee feels dissatisfied and harbours a grievance when there is an infringement of his rights or interests. Mainly it arises out of the misinterpretation or misapplication of company policies, rules and practices.

Objectives of the Study

- (1) To provide formalized machinery to express and seek redressal of individual grievance arising out of work situation.
- (2) To enable employees / workmen to raise and issues / problems so that the management can learn about them and not just perceive.
- (3) To provide a check upon arbitrary actions.

Typical Grievances and Their Causes

Often, grievances appear to be simple interpersonal or interpretational problems. Though it is true in most cases, many a time grievances are a manifestation of a deeper systemic or cultural malaise in an organization. In such cases, resort to the formal grievance procedure may not provide solution to the real problem. Therefore, in order to locate the casual roots of grievances we may have to make an analysis of systems, procedures, policies, practices etc. This will help us to identify the actual reasons for the occurrences of grievances. A manager with a professional approach would always like to make a systematic analysis of the factors that cause grievances.

Analysis of grievances reveals that they normally fall into certain patterns. The U.S. Department of Labor has listed the types found to occur most frequently among employees, together with the common causes of each.⁴

Type of Grievance	Common Causes
<p>A. Wages</p> <ul style="list-style-type: none"> 1. Demand for individual wages adjustment 2. Complaints about job be classification. 3. Complaints about incentive complicated systems. 4. Miscellaneous 	<p>He is not getting what he is worth. He gets less than others doing work requiring the same degree of skill. His job is worth more than it pays and should be reclassified. The method of figuring his pay is so that he does not know what his rate really is. His piece rates are too low His piece rates are cut when his production increases. Mistakes are made in calculating pay. Methods of paying off are inconsiderate.</p>
<p>B. Supervision</p> <ul style="list-style-type: none"> 1. Complaints against discipline. 2. Objection to a particular foreman. 	<p>Foreman dislikes him and picks on him. Company has it in for him because he is active in union. His mistakes are due to inadequate instruction. Foreman is playing favorites. Foreman is trying to undermine union. Foreman ignores complaints.</p>

3. Objection to general method of supervision

There are too many rules & regulations. Rules and regulations are not clearly posted. Supervisors and/or time-study men do too much snooping.

C. Seniority, discharge, etc.

1. Loss of seniority
2. Calculation of seniority.
3. Interpretation of seniority

He has been unfairly deprived of seniority. He has not received all the seniority due him. Clause in contract has been unfairly interpreted by company (clause often vague). He has been penalized unfairly or too severely. Company wanted to get rid of him anyway for union activity or other reasons.

4. Disciplinary discharge or layoff.

Seniority clause has been violated. Company will not promote him because of union activity.

5. Promotions.

He does not have a chance to advance himself. He has had more than his share of dirty work or shifts. or graveyard shifts.

6. Transfers to other departments

D. General Working Conditions

1. Safety and health

Toilet facilities are inadequate. Dampness, noise, fumes and other unsafe conditions could be corrected. He does not have enough time for personal needs. He has to lose too much time waiting for materials. Overtime is unnecessary. He is being unfairly denied an employment release (certificate of availability). Lunchroom facilities are inadequate.

2. Miscellaneous

E. Collective Bargaining

1. Violations of contract
2. Interpretation of contract.
3. Settlement of grievances

Company is stalling or putting obstacles in the way of grievance settlements. Company will not give supervisors authority to grant any concessions. Company has disregarded precedents and agreed upon interpretations. Company fails to discipline supervisors where disciplinary action is necessary and has been promised.

This catalog of grievances and their causes represents an extremely useful guide for organizations interested in a sound program to combat problems in this area. Awareness of the causes makes it relatively simple to take steps to eliminate them. For example, noting the causes for grievances in the area of supervision, the company can provide a program of supervisory training embracing the causes of supervision grievances and indicating how to avoid them. The same is in order for all the causes; sound planning for effective training can do a good deal to reduce antagonisms.

Grievance Handling Practices

Grievances, whether genuine or imaginary, require prompt attention in the form of explanation or redressal, for an unredressed grievance adversely affects an employee's morale, productivity or attitude. Therefore, immediate redressal and settlement of grievances is must. The three cardinal principles of grievance settlement are:-

- (a) settlement at the lowest level.
- (b) settlement as quickly as possible.
- (c) settlement to the satisfaction of the aggrieved.

There are three approaches documented reflecting the attitude of management and employees to handling of grievance. These are:

(1) Legalistic View Approach

Management could take a legalistic view and follow the negotiated contract. The management and the worker follow the provisions therein. Grievances are those defined by the contract, and the process for dealing with the grievances is clear to all concerned and specified with the time span for each stage.

(2) Human Relations Approach

The employee and his specific problem is the major concern. The concern is for understanding and doing something to help overcome the individuals problem, the fundamental assumption being that individuals are more important than production targets.

(3) Open door and Step ladder Approach

Channels of handling grievances should be carefully developed & its information should be disseminated amongst the employees. It is necessary that employees know the channels through which they ventilate their grievance. There are two procedures for the settlement of grievances - open - door policy and step - ladder procedure.

Some companies have an informal and open - door policy for grievances handling and employees are free to go up the top level executives with their grievances for redressal. The common remarks heard from the chief executives of such companies are:

"A formalized procedure will generate grievances, which are not real. We have an open door policy and nothing prevents employees from coming up to us with their grievances for redressal. We have practically eliminated all grievance provoking situations in our country."

In large companies open door policy is not suitable. Consequently, most companies have introduced a step - ladder procedure for the settlement of grievances.

Under step ladder procedure, an aggrieved employee will first present his grievance to the first line supervisor. If he is not satisfied with the decision of the supervisor, he presents his grievance to the second level. namely, the head of department. At the third step, a joint grievance committee reviews the grievance. Grievance still unsettled are referred to the chief executive of the company. In some cases works committees form a step in the procedure.

In all the procedures, the designation of authorities to whom grievances should be presented, the time limit for the disposal of grievances at each step, the manner in which grievances have to be presented - verbally or in writing, or on ordinary paper or on prescribed form etc are laid down, where there is a recognized union, the procedure is introduced with their concern.

Machinery for Handling Grievances

Appropriate machinery must be established to take the steps and to apply the principles of handling grievances. Responsibility must be assigned to given organization units and executives. And the systematic flow of grievances through various stages and units must be encouraged through appropriate procedural designs. Hence, grievance handling requires attention to organizational responsibility and procedures.

1. First - line Supervision:

First – line supervision should be accorded the first opportunity to handle grievances even though the final disposition must await higher authority. Otherwise, supervisors are in danger of losing any importance in the organization and the respect of their subordinates. It should be empowered to pass upon grievances within policies, rules and jurisdictional limits established by the company.

2. Staff and Middle Management Executives:

All grievances cannot be handled at the lowest levels because some involve issues or policies beyond their authority or capacity. Hence, responsibility is placed upon divisional, group, and area managers to handle grievance cases with broader implications. And these may be aided by a staff labour relations unit in three ways:-

- (i) the staff may supply line executives with advice or information on grievance handling;
- (ii) it may help executives in the processing of cases; or
- (iii) it may be given authority actually to settle certain classes of cases.

3. Top Management Levels:

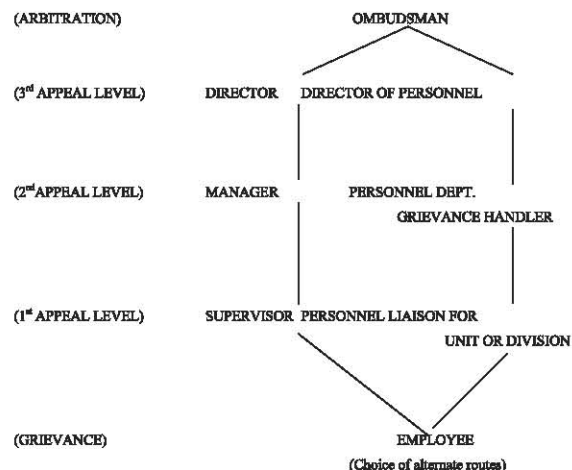
Top management has two large areas of responsibility in grievance handling. First, it must assume jurisdiction of cases which are companywide in nature or significant as precedent makers. Second, top management

must establish the broad policies and rules upon which grievance handling in the company will be based. Here again, top management may utilize the advice of a labour relations department, but the final decisions must be unequivocally accepted as its own.

4. Outside Agencies:

The use of an "ombudsman", or an independent, outside party, is suggested in Fig. 1, as the final step in resolving grievances in non-union companies.

Fig. 1 A Grievance System for the Nonunion Plant



5. Labour Union Representatives:-

And finally, in many companies, labour union representatives interact in the various organizational segments of the company. Shop and office stewards work at supervisory levels; higher level stewards and union agents work with upper management levels; and officials of union locals, business agents of unions, and representatives of national union offices work at key points of grievances cases wherever they develop.

Need for Grievance Procedure

The formal mechanism for dealing with worker's

discontentment and dissatisfaction is called the grievance procedure. The grievance - procedure is a problem solving, dispute settling machinery. It is a device by which grievances are settled, generally to the satisfaction of trade union / employee and management win - win situation instead of win - lose.

According to Mangrulkar," a grievance - procedure is essential because it brings uniformity in the handling of grievances."

A well defined and a proper grievance procedure provides:-

- (1) A channel or avenue by which any aggrieved employee may present his grievances.
- (2) A procedure which ensures that there will be a systematic handling of every grievances.
- (3) A method by which an aggrieved employee can relieve his feelings of dissatisfaction with his job, working condition or with the management, and
- (4) A means of ensuring that there is some measure of promptness in the handling of the grievance.

Grievance Redressal In Indian Industry

In Indian industry, adequate attention has not been paid to the settlement of grievances. Legislative framework only indirectly deals with the redressal of individual grievances. It consists of

1. The Industrial Employment (Standing Orders) Act, 1946: It provides that every establishment employing 100 or more workers should frame standing orders which should contain, among other matters, provision for means of redressing the workers against unfair treatment or wrongful exactions by the employer or his agents or servants.
2. The Factories Act, 1948: It provides for the appointment of welfare officers in every factory wherein 500 or more workers are ordinarily employed. These officers are generally entrusted with the task of dealing with grievances and complaints.

3. The Industrial Disputes Act, 1947: This law provides:

(i). The employer in relation to every industrial establishment in which 50 or more workmen are employed shall provide for a Grievance Settlement Authority for the settlement of industrial disputes connected with an industrial workman employed in the establishment. The provisions of this Authority shall be in accordance with rules made in that behalf.

(ii). Where an industrial dispute connected with an individual workman arises in an establishment referred to above, a workman or any trade union of workmen of which such workman is a member may refer such disputer to the Grievances Settlement Authority for settlement.

(iii). The Grievance Settlement Authority shall follow such procedure and complete its proceedings within such period as may be prescribed.

(iv). No reference shall be made to Boards, Courts or Tribunals of any dispute referred to in this section unless such dispute has been referred to the Grievance Settlement Authority concerned and the decision of the authority is not acceptable to any of the parties to the disputes.

Grievance Procedure In India

1. Grievance Procedure Under The Code Of Discipline

The need for establishing a regular Grievance Procedure in India has been felt since long for promoting peaceful and harmonious industrial relations. In May 1958, at its 16th session, the Indian Labour Conference (ILC) formulated the Code of Discipline which among others suggested a Model Grievance Procedure for speedy disposal of worker's grievances. This was done after consulting the representatives of the worker's and employer's organizations. This Code was later ratified by the central employer's and worker's organizations at this very session. The Code of Discipline, observed that a "Grievance Settlement Machinery" should be set

up in each establishment to administer the "Grievance Procedure".

So far as the scope of the grievance procedure is concerned, it was provided that the points that would constitute grievances are those relating to complaints affecting one or more individual workers regarding: wages, other payments, overtime, leave, transfer, promotion, seniority, work assignment, working conditions and interpretation of service conditions. In case the points at disputes are of general applicability or are of considerable magnitude they will fall outside the scope of the procedure. Also, the procedure will not apply when a grievance relates to discharge or dismissal of any aggrieved worker. In such cases, the worker should have a right to approach the dismissing authority or a senior authority of the management. The MGP as envisaged in the Code of Discipline is essentially time bound. Its scope was limited to complaints of one or a few workers; it did not cover the workers of the establishment as a class.

2. Essence of Model Grievance Procedure

At present, India has only a voluntary grievance procedure called the Model Grievance Procedure which was formulated in pursuance to the Code of Discipline adopted by the 16th Session of the Indian Labour Conference in 1958. Most of the grievance procedures nowadays are built after the Model Grievance Procedure with certain changes to suit individual operations, size and special requirements of an enterprise. The Model Grievance Procedure provides for five successive time-bound steps, each leading to the next in case the aggrieved worker prefers an appeal. These are as under:

(i) An aggrieved worker shall first present his grievance verbally in person to the officer designated by the management for this purpose. An answer shall be given within 48 hours of the presentation of complaint.

(ii) If the worker is not satisfied with the decision of this officer or fails to receive an answer within the stipulated period, he shall, either in person or accompanied by his departmental representative,

present his grievance to the head of the department designated by the management for the purpose of handling grievances. (For this purpose, a fixed time shall be specified during which on any working day, aggrieved worker could meet the departmental head for presentation of grievances). The departmental head shall give his answer within 3 days of the presentation of grievance.

(iii) If the decision of the departmental head is unsatisfactory, the aggrieved worker may request for the forwarding of his grievance to the Grievance Committee which shall make its recommendations to the manager within 7 days of the worker's request. Unanimous recommendations of the Grievance Committee shall be implemented by the management. In the event of difference of opinion among the members of the Grievance Committee, the views of the members, along with the relevant papers, shall be placed before the manager for final decision. In either case, the final decision of the management shall be communicated to the workman concerned by the personnel officer within 3 days from the receipt of the Grievance Committee's recommendations.

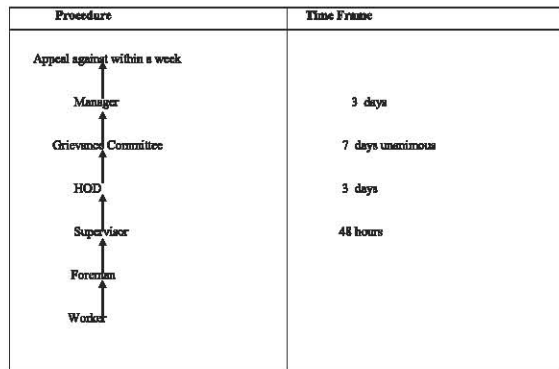
(iv) Should the decision from the management be not forthcoming within the stipulated period or should it be unsatisfactory, the worker shall have the right to appeal to management for a revision. In making this appeal, the worker, if he so desires, shall have the right to take a union official along with him to facilitate discussion with management. Management shall communicate its decision within a week of the workmen's revision petition.

(v) If no agreement is still possible the union and the management may refer the grievance to voluntary arbitration within a week of the receipt by the worker of management's decision.

In the case of any grievance arising out of discharge or dismissal of a workman, the above-mentioned procedure shall not apply. Instead, a discharged or dismissed workman shall have the right to appeal either to the dismissing authority or to a senior authority who shall be specified by

the management within a week from the date of dismissal or discharge.

Fig. 2 Model Grievance Procedure.



3. Grievance Procedure And The National Commission On Labour

The National Commission on Labour 1969 (NCL) took stock of the working of the Model Grievance Procedure suggested by the Code of Discipline. The NCL more or less endorsed the broad framework of the MGP, and made certain interesting observations while suggesting its continuance. The Commission pointed out that the grievance procedure should be simple, flexible, less cumbersome, and be on the lines of the Model Grievance Procedure suggested by the Code of Discipline. It was also suggested that the procedure must be time bound and must have a limited number of steps. While illustrating the limited number of steps, the NCL observed that these could be, for example, approach to the supervisor, then to the departmental head, and thereafter a reference to the "Grievance Committee" consisting of management and union representatives. The Commission suggested that the grievance procedure should be made applicable to those establishments which employ more than 100 workers.

The Commission also suggested that the Industrial Employment (Standing Orders) Act 1946 should contain provisions defining a grievance and laying down a procedure for effecting a settlement.

The NCL further suggested that a grievance procedure should normally have three steps :

- (a) approach to the immediate superior;
- (b) appeal to the departmental head/manager and
- (c) appeal to the tripartite grievance committee representing management and the recognized union. And if the grievance is still not settled it should be referred to an arbitrator.

Conclusions and Recommendations

Grievances Procedure involves a set of formal steps through which the aggrieved employee can approach higher levels of management for redressal of his grievances. An effective grievance procedure will reduce the incidence of dissatisfaction amongst employees and may even prevent work interruptions. The best way to "handle" a grievance is to develop a work environment in which grievances don't occur in the first place. Because of this, constructing grievance handling depends first on your ability to recognize, diagnose and correct the causes of potential employee dissatisfaction before they become formal grievances. For this, you will have to apply many of the techniques. For example ask: "Am I an active listener?" "Do I let employees express their points of view without interruption?" "Am I sensitive to the needs of the employees as well as the rules of the organisation?" "Do I deal with employees as individuals?" and so forth.

The main function of the grievance procedure should be to maintain the employees' commitment to work and prevent the individual or small group dissatisfaction snowballing into collective Industrial disputes that may involve the total work force. Grievance Procedure should be widely publicized through house magazines, notice board, work shops and personal contacts. The Grievance Procedure should be in a language understood by employees. Grievances should be resolved at the level at which it occurs because often grievances tend to change in character and content and develop various overtones as they move up the step ladder. The companies should vest front line managers with the main

responsibility of handling grievances instead of the influence of unions on the shop - floor workers.

It needs to be stressed that even after settling all grievances, more grievances will come up and call for attention. This is a process arising from the law of nature. Like pain, sorrow or illness, grievance in some form or the other continue to come up as man lives and works in an imperfect society. But the point is that efforts should continue through better management of resources to relieve the employee of his anxiety, distrust and fear in the work setting.

End Notes

1. Beach, Dale S : Personnel Management, p.583
2. Flippo, Edwin B: Personnel Management, p.430
3. Pankal, J.A.: Dynamics of Industrial Relations in India, p.274
4. U.S. Department of Labor, *Settling Plant Grievances*, Division of Labor Standards, Bulletin No. 60 (Washington, D.C.)p.1-8

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