

K. J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH

Program: MMS (A,B) / PGDM (A,B) 2018-20 Trim II

Subject: Human Resource Management and Industrial Relations

Part B: Industrial Relations

Maximum Marks: 50

Duration: 3 hours

Date : 14/01/2019

Please attempt both Part A (HRM) and Part B (IR) in separate booklets.

Each Part is for 25 marks.

Question 1 is compulsory and carries 15 marks .Question no 2 carries 10 marks.

Q1. Please go through the case and answer the questions at the end.

At the Sanand works of Tata Motors , Gujarat, the production of its all-new hatchback Tiago , got seriously disrupted when on February 23, in the Night shift , 422 employees out of the total 2,200 working at the plant ,went on strike, demanding reinstatement of 28 colleagues suspended on disciplinary grounds.

The Sanand plant came into the limelight in November 2008, when in response to an offer from then Gujrat chief minister , the company shifted the trouble-ridden factory to manufacture Nano from Singur in West Bengal. However, the difficulties for the company did not disappear fully, as new problems surfaced. Commencing its operations in 2010, the Sanand plant of Tata has experienced several bottlenecks in the production of Nano.

Against the installed capacity of 250,000 cars per annum, it is reported to have produced roughly 42,560 Nano cars in the two years between January 2014 and December 2015, after the demand for what was once dubbed the cheapest car in the world fell dramatically

Trouble was simmering for quite some time. The production at the plant has dropped considerably since its launch in July 2009. The plant is operating at 10% of the total capacity of 2.5 lakh units per annum with only one shift

Around 2,200 workers are employed at the plant, which was shifted from West Bengal following protests over land acquisition to Gujarat that is known for its trouble-free labour. There is no union at the plant.

Labour Commissioner's view

"Two months back, Tata Motors' management suspended two workers on disciplinary grounds. While one had allegedly abused his supervisor, the other was suspended for having walked into another department. The workers went on flash strike but we had immediately intervened and resolved the issue. A compromise was reached that the management will conduct an inquiry into the matter within one month and submit a report," said assistant labour commissioner (Ahmedabad) M S Patel, who is mediating between the workers and the management.

"It was decided that out of the two suspended, one would be taken back while the other will face action as per the report," Patel said, adding that since the inquiry report did not come in two months, the workers went on strike on Monday night.

Management Version

According to the company's management, the striking workers behaved in a disorderly manner and scratched and damaged around 50 cars. So the management was forced to suspend another 26 workers. The wanted all 28 suspended workers to be reinstated. The management is firm in its stand that the reinstatement can only happen after an inquiry.

"There have been continued agitations for monetary increases as well as protests over disciplinary actions against those provoking the workmen, resulting in serious threat to company personnel as well as losses due to tampering," said a Tata spokesperson. Cops were deployed at the plant on Tuesday to prevent violence as workers were likely to continue the strike on Wednesday too even as their talks with the management were on.

According to the management of Tata Motors, the key problem for the plant was that Tata Motors plant, on the outskirts of Ahmedabad city, did not have a organized Trade union. "Though all of them are salaried and permanent employees of the plant, there is no single leader. They have a panel of seven people with whom we are now trying to have a dialogue," he said.

While the management team is continuing to make efforts to talk to the workmen on strike and convince them to restore normalcy, plant operations are simultaneously continuing," it said. The company said that there have been "continued agitations for further monetary increases as well as protests against disciplinary actions against those instigating the workmen, resulting in serious threat to company personnel as well as losses due to tampering".

Discussion Question

1. What would be a good strategy to resolve the impasse in the above case?
2. Consider the comment that Tata Motors plant 'did not have an organized Trade union' give your views for and against an union avoidance strategy
3. What could have been done to prevent the conflict?

Q2. Please answer the following questions (Any Five).

- a. Name the theoretical perspective of Industrial Relations which hold that ;
 - i. Organizations are made up of powerful and divergent sub-groups, each with its own legitimate loyalties and with their own set of objectives and leaders.
 - ii. Organization is perceived as an integrated and harmonious whole with the ideal of "one happy family", where management and other members of the staff all share a common purpose, emphasizing mutual cooperation.
- b. Match the two key features with appropriate phases of Industrial relations in India :

Phases	Key features
1. First phase (1947-1965)	1. "The best decade for economic growth but the worst decade in terms of employment generation". 2. The changing role of the State, competitive pressures of globalization, technological changes, and changing work organization, along with the
2. Second phase (1966-1977)	
3. Third phase (1980-1991)	
4. Final phase (1991 - till present)	

	resultant contractualisation and outsourcing.
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- c. Mention two reasons for the erosion of trade union base in India.
- d. The phases for collective bargaining are (Fill in the missing ones)
 - i. Preparing
 - ii. Arguing
 - iii. ...
 - iv. Proposing
 - v. ...
 - vi. Bargaining
 - vii. Closing
 - viii. Agreeing.
- e. What are the four step guidelines for 'Hot Stove Rule'?
- f. According to Diener this notion has usually been invoked to explain violence in a crowd situation characterized by heightened levels of arousal, anonymity, a consequent loss of self-awareness and breakdown of self-control.
- g. The four kinds of labour law frameworks in India are :
 - i. Working conditions
 - ii. ...
 - iii. ...
 - iv. Industrial Conflicts resolutions.
- h. Name the practice whereby the employees have a role in management of a company. The word is a literal translation from the German word *Mitbestimmung*.
- i. Write true or false:
 - i. At least 10% or 100, whichever is less, subject to a minimum of 10 workmen engaged or employed in the establishment are required to register a Trade union in India.
 - ii. Currently there are 15 Central Trade unions in India
- j. The four focus areas for Decent Work are :
 - i. Gainful employment,
 - ii. ...
 - iii. Social Dialogue
 - iv. ...