

MEANING AND NATURE OF EMPLOYEE AND INDUSTRIAL RELATION

Employee Relation

The term 'employee relations' refers to a company's efforts to manage relationships between employers and employees. An organization with a good employee relations program provides fair and consistent treatment to all employees so they will be committed to their jobs and loyal to the company. Such programs also aim to prevent and resolve problems arising from situations at work.

Employee relations has become one of the most delicate and complex problems of modern industrial society. Industrial progress is impossible without labour management cooperation and industrial harmony. Therefore, it is in the interest of all to create and maintain good relations between employers and employees.

Employer-employee relations mean the relationships between employers and employees in industrial organizations. According to Dale Yoder, the term employer-employee relations refers to the whole field of relationship among people, human relationship that exist because of the necessary collaboration of men and women in the employment process of modern industry.

Nature of Employee Relation

1. Employer-employee relations are the outcome of the employment relationship in industry. These relations cannot exist without the two parties—employer and employees." It is the industry which provides the setting for employer-employee relations.
2. Employer-employee relations include both individual relations as well as collective relations. Individual relations imply relations between employer and employees. Collective relations mean, relations between employers' associations and trade unions as well as the role of the State in regulating these relations.
3. The concept of employer-employee relations is complex and multi-dimensional. The concept is not limited to relations between trade unions and employer but also extends to the general web of relationships between employers, employees and the Government. It covers regulated as well as unregulated, institutionalized as well as individual relations. These multi-pronged relationships may be in organized or unorganized sector.
4. Employer-employee relations is a dynamic and developing concept. It undergoes change with changing structure and environment of industry. It is not a static concept. It flourishes or stagnates or decays along with the economic and social institutions that exist in a society. The institutional forces give content and shape to employer-employee relations in a country.
5. Strictly speaking a distinction can be made between human resource management and employer-employee relations. Human resource management deals mainly with executive policies and activities regarding the human resource aspects to the enterprise while employer-employee relations are mainly concerned with employer-employee relationship. Human resource management refers to that part of employment relations which is concerned with employees as individuals, collective or group relationship of employees and employers constitute the subject matter of employer-employee relations.

6. Employer-employee relations do not function in a vacuum. These are rather the composite result of the attitudes and approaches of employers and employees towards each other. Employer-employee relations are an integral part of social relations. According to Dr. Singh (Climate for Industrial Relations, 1968) the employer-employee relations system in a country is conditioned by economic and institutional factors.

Economic factors include economic organizations (capitalist, socialist, individual ownership, company ownership, and Government ownership), capital structure and technology, nature and composition of labour force, demand and supply of labour. **Institutional factors refer** to state policy, labour legislation, employers' organizations, trade unions, social institutions (community, caste, joint family, and religions), attitudes to work, power and status systems, motivation and influence, etc.

7. Several parties are involved in the employer-employee relations system. The main parties are employers and their associations, employees and their unions, and the Government. These three groups interact within the economic and social environment to shape the employer-employee relations system.
8. The main purpose of employer-employee relations is to maintain harmonious relationships between management and labour. The focus in these relationships is on accommodation. The parties involved develop skills and methods of adjusting to or cooperating with each other. They also attempt to solve their problems through collective bargaining. Every employer-employee relations system creates a complex set of rules, regulations and procedures to govern the workplace.

Industrial Relations (IR)

The term industrial relations explain the relationship between employees and management which stem directly or indirectly from union-employer relationship. Industrial relations are the relationships between employees and employers within the organizational settings.

Basically, IR sprouts out of employment relation. Hence, it is broader in meaning and wider in scope. IR is dynamic and developing socio-economic process. As such, there are as many as definitions of IR as the authors on the subject. Some important definitions of IR are produced here.

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".

Encyclopedia Britannica defined IR more elaborately as "The concept of industrial relations has been extended to denote the relations of the state with employers, workers, and other organizations. The subject, therefore, includes individual relations and joint consultation between employers and workers at their places of work, collective relations between employers and trade unions; and the part played by the State in regulating these relations".

Nature of Industrial Relation

- (i) To create healthy relations between employees and employers.
- (ii) To minimize industrial disputes.
- (iii) To generate harmonious relations among all concerned with production process.
- (iv) To improve the productivity of workers.
- (v) To provide workers their appropriate position by considering them partners and associating them with management process.
- (vi) To provide the workers their due profit share, improve their working conditions and thereby eliminating the chances of strikes and lockout etc.