



# LABOUR WELFARE: A TEST OF SIGNIFICANCE ON LABOUR WELFARE FACILITIES IN PSU'S (CASE STUDY OF MAHARATAN BHEL OF U.P.)

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**Abstract:** The importance for welfare arises from a very nature of industrial system which is characterized by two basic facts (1) the conditions under which work is carried on are not congenial for health and (2) when labour join industry, he has to work in an entire strange atmosphere creating problems of adjustment, having a satisfied workforce is very essential for smoothing working of every organization. So this study is conducted to know whether the workforce are satisfied with the welfare facilities provided by PSU's with special reference to BHEL and provide suggestion to them for improving the employees satisfaction. This present research paper reports on an exploratory study recently conducted on labour welfare practices in PSU sector. Through this study the author bring out certain significant differences in the labour welfare facilities provided in Public and Private sector. The finding shows that there is significant differences regarding labour welfare practices. It shows that PSU sector have attained greater cooperation and support of workers as compared to private sector.

**Introduction:** "Welfare" is a broad concept referring to a state of living of an individual or group, in a desirable relationship with the total environment - ecological, economic and social. Labour welfare includes both the social and economic contents of welfare. Social welfare is primarily concerned with the solution of various problems of the weaker sections of society like the prevention of destitution, poverty, etc. It aims at social development by such means as social legislation, social reform, social services, social work, social action, etc. The object of economic welfare is to promote economic development by increasing production and productivity and through equitable distribution. 'Labour Welfare,' any thing done for intellectual, physical, moral and economic betterment

of the workers, whether by employers, by government or by other agencies.

BHEL is an integrated power plant equipment manufacturer and one of the largest engineering and manufacturing companies in India in terms of turnover. It was established in 1964, ushering in the indigenous Heavy Electrical Equipment industry in India. The company has been earning profits continuously since 1971-72 and paying dividends since 1976-77. Due to its terrific performance it has been come under Maharatan companies. It is engaged in the design, engineering, manufacture, construction, testing, commissioning and servicing of a wide range of products and services for the core sectors of the economy, viz. Power, Transmission, Industry, Transportation (Railway), Renewable Energy, Oil & Gas and Defence

## Labour Relations: A Conceptual Exposition

Broadly speaking, the term labour relations is composed of two words 'labour' and relations'. According to Marshall, labour may be defined as 'any exertion of mind or body undergone partly or wholly with a view to some other than the pleasure derived from the work, and relations mean, 'the relationship between the employer and his employees that exists at the work place'. Labour relations are primarily concerned with the union management relations, techniques of negotiation, collective bargaining, evaluation of labour contracts, discipline, joint consultation, arbitration, conciliation, adjudication and other allied legal matters, strikes and lockouts, labour costs, employment and non-employment and other terms and conditions of service such as wages, allowances, bonus, benefit plans, closure, retrenchment, working hours, festival holidays and leave and security of service. In a nut shell Labour relation can be defined as 'a

warm and healthy relationship between employer and his employee at the work place.

### Review of Literature

Since the purpose of the literature review is to give view and insight as subject matter is dealt, the researchers have opted to summarize the findings and conclusion and give recommendation on the given studies made by different researchers in the field of labour welfare in India and even in foreign countries. Haber and Levinson (1956) designed a study of 'labour relations and productivity in the building trades'. They found that the labour relations pattern in the building trades differs materially from that perfected in other industries. The only suggestion to improve the labour relations is the progress in assuring steady employment. These are more a human problems, depending for their solution on the mutual trust and confidence among the workers and the employers. Turner et al. (1968) made a study of labour relations in Motor Industry. They found remarkable rise in the number of strikes in British Car Industry due to failure of institutions. Das in his research makes an intensive study of industrial relations in six textile mills of Indore. He found that industrial relations are more a human problem, depending for its solution on the mutual understanding between the operative and managerial staff.

### Research Gap

From the review of literature it can be understood that though many studies have been conducted on different aspects of labour relations in India, a study specifically for labour relations practices in PSU sector is missing in literature. Similarly, no study has made a comparative analysis of degree of satisfaction among the employees of public, private and cooperative sector. Moreover, till date no research has been conducted on any aspects of labour relations in BHEL sampled for this study. Hence, the present study examines empirically the vital issues affecting the relationship between labour and management in selected industry of Uttar Pradesh and suggests measures to make them more effective contributors for the productivity and prosperity of Maharatan BHEL.

### Objectives of the Study

The present study which examines the labour relations practices in PSU sector company aims at making a comparative analysis of labour relations in the BHEL of Uttar Pradesh. The important objectives of the study are:-

- (2). To study the labour satisfactory level of welfare facilities in PSU's.
- (3). To make constructive suggestions to improve the welfare facilities.
- (4). To acquire the knowledge about varied facilities adopted in PSU's

### Research Design

In this study the research design is descriptive and is based upon statistical tools. The study includes both primary and secondary data. In this study researcher used Mean, Median, Mode as measure of central tendency, Ranking method Variance analysis. For testing its significance adopt Simple Percentage analysis. The study covering a period of 2002 to 2013 subject to the availability of data refers only to the organized sector which consists of private, public, and cooperative sector. However, one of the best methods of the study would have been to make a survey of all PSU company of Uttar Pradesh. But since this is a very large and time consuming project, it was decided to use the case method. Thus, a sample of BHEL has been considered as the modest number from the point of view of feasibility of cost and time. The field investigation is based on a sample of 220 respondents selected through simple random sampling technique with a precision rate of + 5 per cent. Out of this 145 respondents of private sector, 75 respondents of public sector have been selected to ascertain their reactions towards different labour issues and to locate problems.

### Research Methodology

The study is based on published and unpublished data collected from both primary and secondary sources. All the information based on primary sources has been collected from the personnel departments of the and through personal interviews with the workers, union leaders, and officers on the basis of pre-structured questionnaires eliciting information on a number of major aspects of labour relations like personnel policies and practices, wages, labour welfare, working conditions, trade unions, strikes, procedure for settlement of disputes, redressal of respondents' grievances and taking disciplinary action, workers' participation in management etc. to authenticate the research and came at the genuine conclusions. The secondary information is obtained from the magazines, newspapers, journals, books, unpublished theses etc. Some information has been collected / scanned from the Internet also. Finally, all the information and data collected are analyzed and important conclusions have been drawn from them.

### Limitations of the Study

In this study an attempt has been made to cover all important aspect of labour welfare facilities in PSU's sector. But in this study various difficulties at all stages have been experienced. It has been observed that during the period of data collection the employees and management did not generally speak correctly. Not only this, Personnel Officers and Labour Officers were absent or very busy despite prior appointments. In certain cases, adequate information was not provided. The other most important difficulty faced was that, most of the workers and union leaders, being illiterate and having a low level

of consciousness of organization, were also not in a position to help in an effective manner to supply the relevant information.

### Empirical Findings

The respondents' views were taken on a number of common aspects relating to labour relations practices of their respective company. In the following pages, an attempt has been made to evaluate their views on these issues:

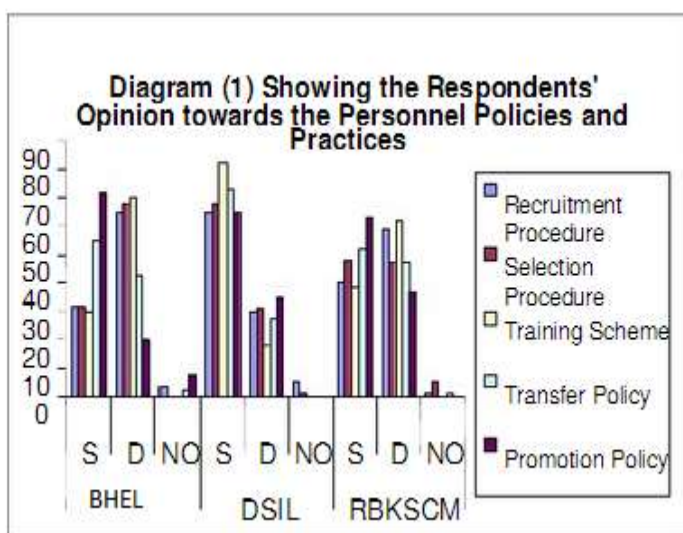
### Respondents' Opinion towards the Personnel Policies and Practices

The following data reveals the opinion of respondents regarding personnel policies and practices in the company:-

Table (1)  
Respondents' Opinion towards the Personnel Policies and Practices

Factors	(In Percentage)								
	BHEL			DSIL			RBKSCM		
	S	D	NO	S	D	NO	S	D	NO
Recruitment Procedure	32	65	3	65	30	5	40	59	1
Selection Procedure	32	68	0	68	31	1	48	47	5
Training Scheme	30	70	0	82	18	0	38	62	0
Transfer Policy	55	43	2	73	27	0	52	47	1
Promotion Policy	72	20	8	65	35	0	63	37	0

Source: Questionnaire and personal interviews  
S = Satisfied; D = Dissatisfied; NO = No Opinion



The survey of the personnel policies and practices of the sample companies clearly reveals that the respondents of BHEL have shown a higher degree of satisfaction as compared to the respondents of other company. Out of total, 75 per cent respondents of BHEL were satisfied with the recruitment procedure. The level of dissatisfaction was very high in BHEL as 75 per cent of the respondents showed dissatisfaction towards the

recruitment procedure while respondents have shown dissatisfaction.

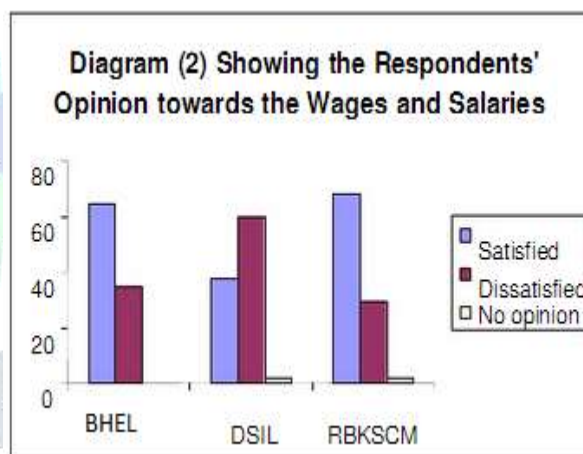
### Respondents' Opinion towards the Wages and Salaries

Wages and salaries determine the degree of job-satisfaction among the employees. The following table exhibits the opinion of respondents regarding their remunerations.

Table (2)  
Respondents' Opinion towards the Wages and Salaries

Factors	(In Percentage)		
	BHEL	DSIL	RBKSCM
Satisfied	65	38	68
Dissatisfied	35	60	30
No opinion	-	02	02
Total	100	100	100

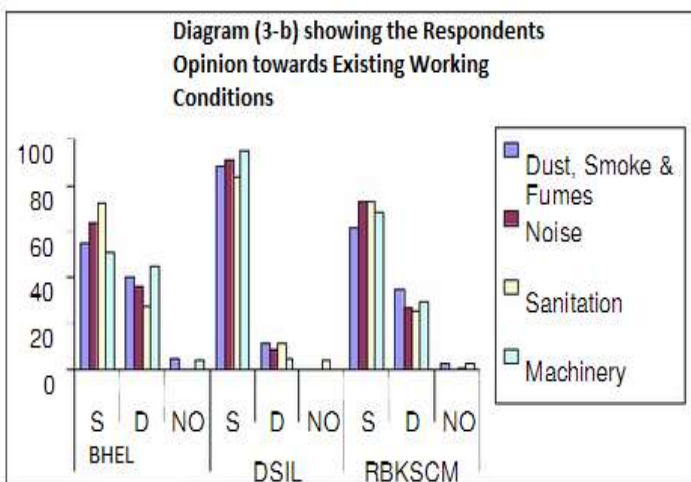
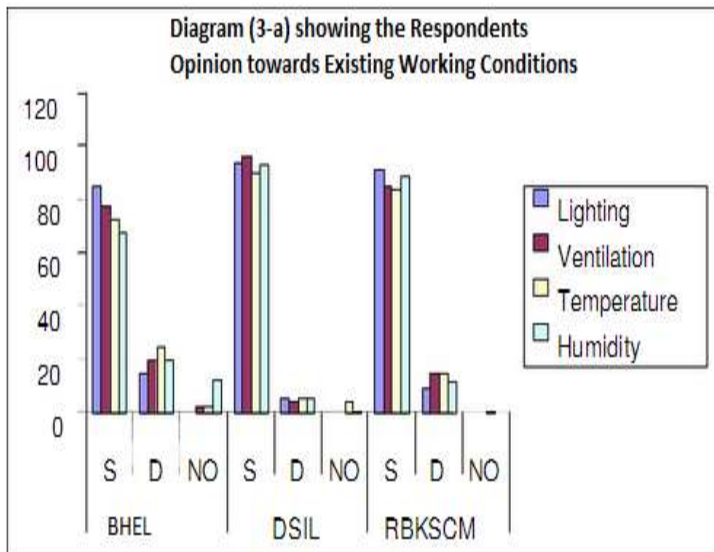
Source: Questionnaire and personal interviews.



When all the three mills were compared on the basis of actual wages and salaries significant differences were observed. A majority of the respondents in BHEL and RBK SCM, i.e. 65 per cent and 68 per cent respectively were satisfied with the existing wages, whereas in DSIL only 38 per cent respondents were satisfied with their monthly emoluments.

### Respondents' Opinion towards Working Conditions

An analysis of job satisfaction of respondents has been done in the light of existing working conditions. Feelings of respondents towards the working conditions in all the three companies are recorded in the following table:



The survey highlights that on the whole the working conditions in DSIL were quite satisfactory since more than 90 per cent respondents have shown a higher degree of satisfaction towards every aspect of working conditions. A close perusal of the data reveals that the working conditions in BHEL and RBKSCM were also quite tolerable and a majority of respondents were not against the existing working conditions.

## Conclusions

On the basis of the survey of labour relations welfare facilities chosen from public, private, it was observed that the labour relations and facilities did not appear to be poor in any three sectors. Rather the researchers found a lot of warmth and cordiality in labour relations practices. There was a downhill trend in the number of disputes in all the companies. However, differences in attitude of employees were quite pronounced in the three sectors. In case of public sector company BHEL of U.P., the industrial awards were implemented in time. Personnel policies and practices are quite appreciable and in other labour matters too the public sector has been acting as a

model employer. Labour force has been attached greater importance in all matters and despite of financial losses their demands are fulfilled. There was a greater degree of satisfaction and job security among them. The employees were not sure that how long they would remain in the job and when their employer would say good-bye to them. The employees were not very happy with the payment of wages but at the same time they were satisfied with the working conditions, welfare facilities and policies and practices of personnel management. In case of public and private sector, it was due to employees' awareness of the financial position of their respective mills that there was realization that if they exert much pressure of demands, the company may come to grief adversely impacting their source of livelihood.

## Suggested Remedies

It may be summed up that the public and private sector have to improve the level of satisfaction of employees which will contribute to better relation. Target oriented approach towards work should be introduced. Participation of workers in major decisions should be developed. Profit sharing scheme should be introduced. Management have to adopt speedy grievance redressal procedure for speedy solution for the workers. The management of all three companies should encourage joint consultation at different levels and consider collective bargaining for resolving the differences between them. It should be made the normal rule that all differences between labour and management, which cannot be resolved by collective bargaining, should be settled by voluntary arbitration. Target oriented approach towards work should be introduced. Participation of workers in major decisions should be developed. Profit sharing schemes should also be introduced, as it would encourage the workers to work more. Besides, the employers should feel that the employees are human beings; their dignity should be respected so that they feel themselves as a part and parcel of the organization and develop a sense of belongingness with the organization. Training and education alone will not be enough to motivate them to give their best. The wage structure in public and cooperative sector in general and private sector in particular needs several reforms to ensure that the more skilled and the better performance of workers is in fact paid more. In fact, the wage needs to be linked with work-load of the workers and not with their assignment of duties or machines. Moreover, the atmosphere inside the company should be made employee friendly. It is suggested that to meet the challenges of globalization, better machinery should be imported by public and private sector. This will be conducive to increase the productivity and profitability of these companies which would result into betterment of labour relations.

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