UNIT - 2

WAGE AND SALARY ADMINISTRATION

Basic concepts: minimum wage, need based wage, fair wage, living wage, Objectives of wage and salary administration, factors affecting wage and salary administration, Types of wage payment system, process of wage determination. Job evolution: meaning, objectives, quantitative and non quantitative methods of job evolution

CONCEPT OF WAGES

'Wage and Salary Administration' refers to the establishment and implementation of sound policies and practices of employee compensation. The basic purpose of wage and salary administration is to establish and maintain an equitable wage and salary structure. Wages and salaries are often one of the largest components of cost of production and such have serious implications for growth and profitability of the company. On the other hand, they are the only source of workers' income.

After the independence and particularly after 1948 some new terms relating to wages began to be used. These are:

1. Statutory Minimum Wages
2. Basic Minimum Wages
3. Minimum Wages
4. Fair Wages
5. Living Wages
6. Need Based Wages

1. **Statutory Minimum Wages:** By it we mean the minimum amount of wages which should essentially be given to the workers as per provisions of the Minimum Wages Act, 1948.
2. **Basic Minimum Wages:** This minimum wage is fixed through Judicial pronouncement awards, industrial tribunals and labour. The employers are essentially to give this minimum wage to the workers.
3. **Minimum Wages:** The concept of minimum wages has developed due to different standards in different countries. In Indian context, minimum wage means the minimum amount which an employer thinks necessary for the sustenance of life and preservation of the efficiency of the worker. According to Fair Wage Committee, the minimum wages

must also- provide for some measures of education-medical: requirements, and amenities...

4. **Fair Wages:** in order to bring about improved relations between labour and management an effort has been made in modern times that the labour gels a. fair deal at the hands of owners and managers of industries. Various proposals were undertaken at the Industries Conference in 1947 arid a resolution known as the Industrial Truce Resolution was passed. It is provided for the payment of fair wages to labour. The government of India appointed a Fair Wages committee in 1948 to determine the principles on-which fair wages should be based and to suggest the lines on which- those principles should be applied. According to the report on this' Committee, Fair Wages is that wages which the laborer gets for his work just near to minimum wages arid living wages. Generally the current rate of wages being paid in the enterprise are known as fair wages.

5. **Living Wages:** According to Fair Wage Committee Report, "The living wage should enable the male earner to provide for himself and his family not merely the bare essentials of food, clothing and shelter, but also a measure of frugal comfort including education for children, protection against III health, requirements of essential social needs and a measure of insurance against the more important misfortunes including old age." According to the committee on fair wages, the living wages represent the highest level of the wages and include all amenities which a citizen living in a modern civilized society is to expect when the economy of the country is sufficiently advanced and the employer is able to meet the expanding aspirations of his workers. The living wage should be fixed keeping in view the National income and the capacity of the industry to pay.

6. **Need Based Wages:** The Indian Labour Conference at its 15th session held at New Delhi in July, 1957 suggested that minimum wage fixations should be need based. Following are the important points of the resolution of the conference.

a) The standard working class family should include three consumption units lor the one earner.

b) Calculation of minimum food requirements should be made on the basis of the recommendation of Dr. Aykoroyed i.e. 27000 calories for an average Indian adult.

c) Calculation of cloth should be made #18 yards annually for one member. As such, a family consisting of four members will require 72 yards of cloth.

d) The workers should get minimum rent as per guidelines fixed by the government in the industrial housing policy.

e) Expenses for fuel, light and so on should be equal to 20% of the entire minimum wages.

WAGE AND SALARY ADMINISTRATION - OBJECTIVES

Its objectives are:

i. To compare or draft company HR policy .

ii. Find out the income level and return ratio of similar industries

iii. To understand wage differentiations

iv. To examine the competitiveness of entry level employees

v. To establish hiring rates favorable to the community

vi. To keep abreast wage and salary rates with production cost

vii. To minimize labour turnover due to pay disparity

viii. To increase employee's satisfaction and morale

ix. To learn about the trend of perks and benefits in the market

x. To resolve existing labour problems concerning compensation.

9.7 TYPES OF WAGES

Determination of reasonable wages is a difficult task for the management and so they should give adequate attention to this area. However, different types of wage payment can be divided into three parts:

1. Time wage
2. Piece wage
3. Wage incentive plan

1. Time wage: In this type the worker Is given remuneration according to time. This type of remuneration may be per hour, per day or per month or per yean There exists no relationship between the quantum of work and the wage. This type is in operation in all industries in India. This plan is very simple to understand. The worker works after due thinking and with convenience. However it encourages the tendency of prolonging or delaying the work unnecessarily. Moreover, it is very difficult to measure the productivity of the workers under this type of plan.

2. **Piece Rate System:** In this type of plan, a worker gets remuneration according to his output irrespective of the time he takes in finishing his job. Here, the payment of remuneration is related to work and not to time. Under this type, the workers are encouraged to earnmore and more, The more the output is, the more the remuneration is. The workers are also at liberty for their job with interest and they need not be supervised. However, this type of wage payment is not suitable for commodities of artistic taste. Moreover, the quality ofgoods goes

3. **Wage incentive Plan:** This type of wage payment is the combination of two types the above referred. Efforts have been the advantages of both these types while This includes:

a) **Halsoy Premium Scheme:** Under this scheme if a worker gives an output more than the fixed standard job, he is given about 33% to 50Va of the remuneration for that job as bonus. Here a standard of output is fixed and a standard of time is also fixed for the completion of that job before hand. If the job of fixed standard is completed with the standard time fixed tor the purpose, the worker gets his fixed wages. Both if he completes the job before the fixed standard time and, thereby, saves some time, he gets a fixed percentage of his wages for the time so saved as bonus,

b) **Rowan Premium Scheme:** This plan is an improvement upon Halsey Plan. Under this plan, premium is that proportion of the wages tor the time taken which the time saved bears to the standard time. The credit of this incentive premium method goes to Rowan of Scotland. The worker is paid wages at normal rates for the duration he has worked and is paid extra money in the form of premium on the basis of the time he has saved. Under this scheme, the standard work and the standard time both are fixed. The wages for the time saved will increase in the same percentage that is equal to the proportion the time saved bears to standard time. The premium for the time saved cannot be more than the total standard wages. Thus, a worker cannot get cleverly wages more than needed.

c) **Taylor's Plan:** Taylor plan is based on wages per unit. In other words, a worker is paid wages in accordance with his output. Higher price rate is fixed for the workers who give production over and above the standard workload fixed. The lower rate is fixed for the workers who give production below the standard workload fixed.

d) **Merrick Plan:** This plan is somewhat a modified form of Taylor's plan. This plan offers three grade piece rates than the two offered in the Taylor's plan,

I. First limit is for new workers and is very low.

II. Second limit is for workers with average efficiency.

III. Third limit is for very efficient workers.

e) **Gantt Plan:** This is also a modified form of Taylor plan. In it, wages are fixed on the basis of lime. On the other hand, the efficient workers are given wages per unit. Thus, the workers who give more output get their wages at enhanced rales.

f) **Emerson Plan:** This plan is a combination of Taylor. Merrick and Gantt plans. However, a slight modification in these plans has been made and different rates of bonus have been fixed under this plan. The amount of bonus increases with this increase in efficiency. These percentages are as under:

1% bonus on 67.5 efficiency.

10% bonus on 90% efficiency.

20% bonus on 100% efficiency.

20% + 30% extra on bonus on efficiency more than 100%.

g) **Profit-Sharing Scheme:** Under this scheme, workers are given a certain percentage of profits as bonus. But it suffers from one defect. Suppose, there is no profit in a particular year. Workers will also not be given the bonus for that very year. The workers think that they have been deceived by the employers and therefore, clash with them on this very issue. This assumes the form of worker-management unrest and has its bad effect on the production. This scheme is undoubtedly a new and better scheme. But.,, the trade unions misuse the scheme.

h) **Scalan Plan:** Under this scheme, the workers are paid bonus equal to the percentage of profits earned more than the profits earned last year by the organization. 15% of the bonus is deducted and this deduction is deposited in the fund which is distributed among the workers in the year to come.

Wage Determination

Wage determination is a complex process.

The steps involved in determining wage rates involves performing job analysis, wage surveys, analysis of relevant organisational problems, forming wage structure, framing rules of wage administration, explaining these to employees, assigning grades and price to each job and paying the guaranteed wage.

The process of determining wages involves a series of interrelated steps.

Wage Determination Process:

The wage determination process includes the following:

1. **Job Analysis:**

   It involves the identification and precisely identifying the required tasks, the knowledge and skills necessary for performing them and the conditions under which they must be performed. It is the basic technical procedure that is used to define the duties, responsibilities and accountabilities of a job. it involves determination of methods and equipment's used and the skills and attitude required for successful performance of the job.

2. **Job Evaluation:**

   It is the formal process used to assign wage and salary rates to job. A variety of systems and products exist to guide this process, each different from the other in packaging, pricing, philosophy, procedures and utility It is a systematic technique determining the worth of a job. Once the worth is determined it becomes easier to fix the wage structure that will be fair and remunerative.

3. **Conduct the Salary Survey:**

   Once the process of job evaluation has determined the relative worth of jobs, the actual amounts to be paid must be determined. This is done by making wage or salary surveys in the area concerned.

Employers use these surveys in three ways:

(i) They use survey data to price 'benchmark jobs', which are usually known as good indicators on the basis of this, the firm then slots its other jobs, based on their relative worth to the firm.

(ii) The employers typically price 20% or more of their positions directly in the market place based on a formal or informal survey of what comparable firms are paying for comparable jobs.

(iii) The surveys also collect data on benefits like insurance, sick leave and vacations to provide a basis for decisions regarding employee benefits.

There are various ways to make such a survey. Most firms either use the results of 'packaged surveys' available from the research bodies, employers' association. Government

Labour Bureaus etc. Also many employers use surveys published by consulting firms or professional associations. Around 200 annual area wage surveys provide data for a variety of clerical and manual occupations ranging from secretary to messengers to office clerk.

These surveys may be carried out by mailed questionnaires, telephone, and personal interviews with other managers and personnel agencies and Internet sites. Some of the private consulting or executive recruiting companies are Hay Associates, Hewitt Associates, Hedrick and Struggles etc. In addition to the average wage level for specific job, other information frequently requested includes entry- level and maximum wage rates, shift differentials, overtime pay practices, vacation and holiday allowances, the number of pay periods and the length of the normal work-day and work-w eek.

4. Grouping of Similar Jobs into Similar Grades - Pay Grades:

Once the relative worth of each job is determined, the task of assigning pay rate to each job is done which is possible only by first grouping jobs into pay grades. It comprises of fobs of approximately equal nature or importance, as established by job evaluation. The committee used various techniques for pay grades such as point method (Job falling within a range of points), Ranking method, where die grade consists of all jobs that fall within two or three ranks and the classification method categorises jobs into classes or grades.

5. Preparation of Wage Structure — Wage Curves:

The next step is to determine the wage structure. For this, several decisions need to be taken, such as:

(a) Whether wage ranges should provide for merit increases or whether there should be single rates.

(b) Whether the organization pays around above, below or equal to the averages in the community or industry.

(c) The number and width of the "pay grades'1 and the extent of overlap.

(d) The jobs placed in each of the pay grade and the actual money value to be assigned to various pay grades.

(e) Differentials between pay plans.

For this purpose, 'wage curve' is used to help assign pay rates lo each pay grade (or to each job). It shows the relationship between the value of the job and the average wage paid for this job It is a two- dimensional graph on which job evaluation points for key jobs are plotted against actual amounts paid or against desired level. It shows pay rates on the vertical axis, and pay grades (in terms of points) along the horizontal axis.

The purpose of the wage curve is lo show the relationship between:

(i) The value of the job.

(ii) The current average pay rates for your grades.

There are various steps involved in drawing a wage curve:

(i) Find the average pay for each pay grades, since each pay grade may have several jobs.

(ii) Plotting the wage rate for each pay grade.

(iii) Drawing 'wage lines' through the points plotted. This can be done freehand or by using a statistical method

(iv) Finally, price the jobs. Wages along the 'Wage line' are target wages or salary rates for the jobs in each pay grade. It is possible that some of the plotted points may fall off the wage line i e.T average for that grade is too high or loo low.

If the current rates being paid for any of your jobs or grades fall above the wage line that indicates rates are high and the overpaid employees are often called "red circle", "flagged" or "overrates. If the plot falls below the line, raises for jobs in this pay grade may be required. Such under-valued jobs carry a "green circle" rate and attempts should be made to make raises either immediately or in one or two steps.

6. Developing Pay Ranges — (Wage Structure):

It is only a short step from plotting a wage curve to developing ihe organization wage structure. Jobs that are similar in terms of classes, grades or points are grouped together. Most employers do not pay just one rate for ail jobs in a particular pay grade. Instead, they develop vertical pay range (rate range) for each horizontal pay grade.

These pay range makes it easier to attract experienced employees from oilier organization and allow the management to provide for performance differences between employees. These pay ranges may appear as vertical boxes within each grade, showing minimum, maximum and mid point pay rates for that grade.

'Rate ranges' can be developed in various ways. A maximum and minimum range for each grade, such as 15% above and below the wage line, may be arbitrarily decided. The maximum and minimum lines may then be drawn on the curve. The 'range' may be allowed to become wider for the higher pay grades, reflecting the greater demands and performance variability inherent in more complex jobs.

While deterring pay ranges it is important to keep in mind that there is an adequate difference between superiors and subordinates and regional differences should be maintained. The existing pay structure should be regularly reviewed and revised to make the process more acceptable to employees.

7. Wage Administration Rules:

Once the pay ranges have been determined, the development of rules of wage administration has to be done.

The rules developed should determine:

(i) Whether degree of advancement of service be based on seniority or merit.

(ii) How control over wage and salary costs can be maintained.

(iii) Frequency of pay increase.

FACTORS AFFECTING WAGE AND SALARY ADMINISTRATION

The wage policies of different organization vary some what. Marginal units pay the minimum necessary to attract the required number of kind of labor. Often, these units pay minimum wage rates required by labor legislation, and recruit marginal labor. At the other extreme, some units pay well about going rates in the labor market. They do so to attract and retain the highest caliber of labor force. Some managers believe in the economy of higher wages. They feel that, by paying high wages, they would attract better workers who will produce more than average worker in the industry. This greater production per employee means greater output per man hour. Hence, labor costs may turn those existing in firms using marginal labor. Some units pay high wages because of a combination of a favorable product market demand, higher ability to pay and the bargaining power of trade union. But a large number of them seek to be competitive in their wage programme, i.e., they aim at paying somewhere near the going rate in the labor they employ. Most units give greater weight to two wage criteria, viz, job requirements and the prevailing rates of wages in the labor market. Other factors, such as changes in the cost of living the supply and demand of labor, and ability to pay are accorded a secondary importance.

A sound wage policy is to adopt a job evaluation programme in order to establish fair differentials in wages based upon differences in job contents. Beside the basic factors provided by a job description and job evaluation, those that are usually taken into consideration for wage and salary administration are:

The organizations ability to pay

Supply and demand of labour

The prevailing market rate

The cost of living

Living wage

Productivity

Trade unions bargaining power

Job requirements

Managerial attitudes and

Psychological and sociological factors

Levels of skills available in the market

The organizations ability to pay:

Wage increases should be given by those organizations which can afford them. Companies that have good sales and, therefore, high profits tend to pay higher those which running at a loss or earning low profits because of higher cost of production or low sales. In the short run, the economic influence on the ability to pay is practically nil. All employers, irrespective of their profits or losses, must pay no less than their competitors and need to pay no more if they wish to attract and keep workers. In the long run, the ability to pay is important. During the time of prosperity, pay high wages to carry on profitable operations and because of their increased ability to pay. But during the period of depression, wages are cut because the funds are not available. Marginal firms and non profit organization (like hospitals and educational institutions) pay relatively wages because of low or non profits.

Supply and demand of labour: The labour market conditions or supply and demand forces operate at the national, regional and local levels, and determine organizational wage structure and level. If the demand for certain skills is high and supply is low, the result is a rise in the price to be paid to these skills. When prolonged and acuter, these labour market pressures probably force most organizations to reclassify hard to fill jobs at a higher level" that suggested by the job evaluation. The other alternative is to pay higher wages if the labour supply is scarce;

and lower wages when it is excessive. Similarly, if there is a great demand for labour expertise, wages rise; but if the demand for manpower skill is minimal, the wages will be relatively low. The supply and demand compensation criterion is very closely related to the prevailing pay, comparable wage and on going wage concepts since; in essence, all of these remuneration standards are determined by immediate market forces and factors.

Prevailing market rate: This is known as the 'comparable wage' or 'going wage rate', and is the widely used criterion. An organization compensation policy generally tends to conform to the wage rate payable by the industry and the community. This is done for several reasons. First, competition demand that competitors adhere to the same relative wage level. Second, various government laws and judicial decisions make the adoption of uniform wage rates an attractive proposition. Third, trade union encourages this practice so that their members can have equal pay, equal work and geographical differences may be eliminated. Fourth, a functionally related firm in the same industry requires essentially the same quality of employees, with same skill and experience. This results in a considerable uniformity in wage and salary rates. Finally, if the same or about the same general rates of wages are not paid to the employees as are paid by the organizations competitors, it will not be able to attract and maintain the sufficient quantity and quality of manpower. Some companies pay on a high side of the market in order to obtain goodwill or to insure an adequate supply of labour, while other organizations pay lower wages because economically they have to or because by lowering hiring requirements they can keep jobs adequately manned.

The cost of living: The cost of living pay criterion is usually regarded as an automatic minimum equity pay criterion. This criterion calls for pay adjustments based on increases or decreases in an acceptable cost of living index. In recognition of the influence of the cost of living." escalator clauses" are written into labour contracts. When the cost of living increases, workers and trade unions demand adjusted wages to offset the erosion of real wages. However, when living costs are stable or decline, the management does not resort to this argument as a reason for wage reductions.

The living wage: Criterion means that wages paid should be adequate to enable an employee to maintain himself and his family at a reasonable level of existence. However, employers do not generally favor using the concepts of a living wage as a guide to wage determination because they prefer to base the wages of an employee on his contribution rather than on his need. Also, they feel that the level of living prescribed in a workers budge is open to argument since it is based on subjective opinion.

Psychological and Social Factors: These determine in a significant measure how hard a person will work for the compensation received or what pressures he will exert to get his compensation increased. Psychologically, persons perceive the level of wages as a measure of success in life; people may feel secure; have an inferiority complex, seem inadequate or feel the reverse of all these. They may not take pride in their work, or in the wages they get. Therefore, these things should not be overlooked by the management in establishing wage rate. Sociologically and ethically, people feel that "equal work should carry equal that wages should be commensurate with their efforts, that they are not exploited, and that no distinction is made on the basis of caste, color, sex or religion." To satisfy the conditions of equity, fairness and justice, a management should take these factors into consideration.

Skill Levels Available in the Market: With the rapid growth of industries business trade, there is shortage of skilled resources. The technological development, automation has been affecting the skill levels at faster rates. Thus the wage levels of skilled employees are constantly changing and an organization has to keep its level up to suit the market needs.

JOB EVOLUATION

Introduction

Once a right candidate is palced on a right jobn, the person needs to be duly compensated for the jobhe/she performs. In the pursuit of equal payment, there shouldbe established a consistent and ystematic relationship among base compensation rates for all the jobs within the organizations. The process of such establishment is termed 'job evaluation'. Different jobs in an organizaton need to be valued to ascertain their relative worth so that jobs are compensated accordingly and an equitable wage and salary structure is designed in the organization. This is necesssary for sustaining cordial relations within and between employees and employer. Hence, there is a need for appreciation of intricacies of the hob evaluation in the modern organizations. This lesson, as a first step, dedicated to discuss the various fundamental aspects of job evolution.

Concept and related terminologies of jobs evaluation

In the area of job evaluation study, a certain amount of technical terminology is used in order to facilitate communication. It is therefore desirable lo list and understand allied terms in the job evaluation, as well as some terms that are related to and often confused with job evaluation (Exhibit. 1.1).

Position:

A position is a group of tasks assigned to one individual. There are as many positions in a firm as there are personnel.

Job: Edwin B.Flippo describes job as a group of positions that are similar as to kind and level of work. In some instances only one position may be involved, simply because no other similar position exists. For example, in the typical firm the position of human resource manager also constitute a job since there is only one human resource manager in the organizing.

Job Analysis: It is the process of studying and collecting information relating to the operations and responsibilities of a specific Job. The immediate products of this analysis are job descriptions and jab specifications.

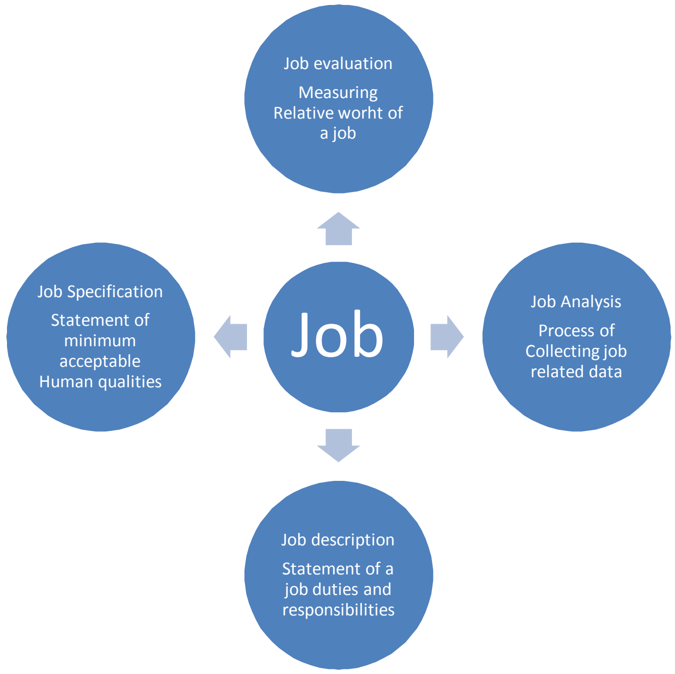
Motion study: This also involves study of the job. Motions study is one of the ways of studying job. It is a process of analyzing a job to find the easiest, most effective, and most economical method of doing it. As such, motion study is a part of the job design function.

Job description: it is an organized, factual statement of the duties and responsibilities of a specific job In brief, it should tell what is to be done, how it is to be done, and why. It is a standard of function. In that it defines the appropriate and authorised content of a job

Job specification: It is a statement of the minimum acceptable human qualities necessary to perform a job properly. It is a standard of personnel and designates the qualities required for acceptable performance.

Evaluation: Wigley explains evaluation as a data reduction process that involves the collect ion of large amounts of data which are analyzed and synthesized into an overall judgment of worth or merit. The implication here is that the judgment of worth can he supported by the data. In her review, Foxon found similar definitions referring to judgments of value or worth.

Job Evaluation: It is a systematic and orderly process of determining the worth of a job in relation to other jobs. The objective of this process is to determine the correct rate of pay. It is therefore not the same as job analysis. Rather it follows the job analysis process, which provides the basic data to be evaluated.



In simple worlds, job evaluation is I he rating or jobs in an organization This is the process establishing the value or worth of jobs in a job hierarchy and compares the relative intrinsic: value or worth of jobs within an organization. Some renounced definitions of job evaluation are described below.

Scottt Clothier mid Priegel defines job evaluation as "'the operation of evaluating a particular job in relation to other jobs either within or outside the organization.

Dale Yoder described job evaluation as "a practice which seeks to provide a degree of objectivity in measuring the comparative value of jobs within an organization and among similar organizations".

Edwin B. Flippo defines job evaluation as 4'a systematic and orderly process of determining the worth of a job in relation to other jobs".

Objective of job evaluation

The main objective of job evaluation is to ensure equitable remuneration for relative worth of a job. As per the ILO Report, the aim of the majority of systems of job evaluation is to establish, on agreed logical basis, the relative values of different jobs in a given plant or machinery, i.e., it aims at determining the relative worth of a job. The principle upon which all job evaluation schemes are based is that of describing and assessing the value of" all jobs in the firms interms of a number of factors, the relative importance of which varies from job to job".

The objectives of job evaluation, to put in a more systematic manner are to:

1. Establish a standard procedure for determining the relative worth of each job in an organization;
2. Ensure equitable wage Tor a job and reasonable wage differentials between different jobs in a hierarchical organization:
3. Determine the rate of pay for each job which is fair and equitable with relation to other jobs in the plant, community or industry:
4. Eliminate wage inequalities:
5. Use as a basis lift fixing incentives and different bonus plans;
6. Promote a fair and accurate consideration of all employees for advancement and transfer;
7. Provide in format ion lor work organization, employees" selection, placement, training and other similar purposes;
8. Provide a benchmark for making career planning for the employees in the organization and;
9. Ensure that like wages are paid to all qualified employees for like work.

QUANTITATIVE AND NON QUANTITATIVE METHODS OF JOB EVOLUTION.

Non-quantitative method

Non-quantitative methods call for the evaluation of a whole job relative tot other jobs or to general descriptions of jobs within an organization. For instance, a job description of a customer service representative may be compared to the job description of a word processing specialist. The main role of the valuator is to determine which of the jobs is more important or worth more to the organization. The major types of non-quantitative job evaluation procedures are ranking and job classification.

Ranking Method of job evaluation This is simplest for in of job evaluation method. The method involves ranking each job relative to all other jobs, usually based on some over all factor like 'job difficulty'. Each job as a whole is compared with other and this comparison of jobs goes on until all the jobs have been evaluated and ranked. All jobs are ranked in the order of their importance from the simplest to the hardest or from the highest the lowest. The importance or order of job is judged in terms of duties, responsibilities sand demands on the job holder. The following steps are involved in ranking jobs.

1. **Obtain job information-** The first step is job analysis. Job descriptions for each job are prepared and these are the basis on which the ranking are made. The job ranking method

usually ranks jobs according to the whole job rather than a number of compensable factors.

2. **Select raters and jobs to be rated -** Ranking all the jobs, at a lime, is usually not possible. The more usual procedure involves ran king jobs by department or in 'clusters' i.e. factory workers, clerical workers and so on. This eliminates the need for having to compare directly. say, factory jobs and clerical jobs.

3. **Select Compensable factors** — In the ranking method., it is common to use just one factor, for instance job difficulty, and to rank jobs on the basis of 'the whole job' Regardless of the number of factors you choose, it is advisable to care Hilly explain the definition of the factor(s) to the evaluators so that they evaluate the jobs consistently.

4. **Rank fobs -** Next, the jobs are ranked. The simplest way Lo do this involves giving each rater a set of index cards, each of which contains a brief descript of a job. These cards are then ranked from lowest to highest.

5. **Combine Rating -** It is usually to have several raters rank the jobs independently. Finally, divide all the ranked jobs into appropriate groups or classifications by considering the common features of jobs such as similar duties, skills, or knowledge required. All the jobs within a particular group or classification receive the same wage or range of raters Then, once this is accomplished, the rating committee can simply average the ranking.

The ranking of jobs in an Academic Institution, based on Ranking Method, may be like this:

Exhibit 2.1 Ranking of Academic Institution Jobs

Ranking Order	Pay Scale
Professor/ Registrar / Librarian	Rs. 16400- Rs. 22, 400
Readers/ Deputy Registrar/ Deputy Librarian	Rs. 1200-420-18,300
Rs. Lecturer/ Asst. Registrar/ Asst. Librarian	Rs. 8000 - 275 - 13,500

Merits - Ranking method has the following merits in terms of its procedure, resources involvement and operational mechanisms.

1. It is the simplest method
2. It is quite economical to put it into effect

3. It is less lime consuming and involves little paper work

Demerits - The ranking method has the following demerits in terms of validity and reliability.

1. The main demerit of the ranking method is that there are no definite standards of judgment and also there is no way of measuring the differences between jobs.
2. It suffers from its sheer unmanageability when there are a large number of jobs.

Job Classification or Grading Method —This is a simple, widely used method. This method of job evaluation was made popular by the U.S. Civil Service Commission. In the ranking system there is no re-determined yardstick of values. In the fob grading approach there is one such yardstick constituting of job classes or grades. Jobs are measured as whole jobs Under this method job grades or classes are established by an authorised body or committee appointed for this purpose. A job grade is defined as a group of different jobs of similar difficulty or requiring similar skills to perform them. Job grades are determined on the basis of in format ion derived from job analysis. The example of job grades may include, depending on the type of jobs the organization offers, skilled, unskilled, account clerk, clerk-cum typist, steno-typist, office superintendent, laboratory assistant and so on.

There are several ways to categorize jobs. One is to draw up class description and place jobs into classes based on their correspondence to these descriptions. Another is to draw up a set of classifying rules for each class and then categories the jobs according to these rules. The usual procedure is to choose compensable factors and then develop class or grade descriptions that describe each class in terms of amount or level of compensable factors in jobs. Such factors are:

1. Difficultly and variety of work,
2. Supervision received and exercised,
3. Judgment exercised,
4. Originality required,
5. Nature and purpose of interpersonal work relationships,
6. Responsibility;
7. Experience and,
8. Knowledge required

The following five steps are generally involved in the process of job classification,

1. Prepare job description for basic information about he job

2. Prepare job grading description for identification of different levels of jobs. Each grade level must be distinct from the grade level adjacent to it After establishing the grade level, each job is assigned to an appropriate grade level on the basis of the complexity of duties, non-supervisory responsibilities and supervisory responsibilities.
3. Select grades and key jobs about 10 to 20 jobs, which include all the major departments and functions and cover all the grades
4. Grade the key jobs. Key jobs are assigned to an appropriate grade level and their relationship to each other studied.
5. Classify all the jobs on the basis of grade definitions. All the jobs in the same grade receive the same wage or range of rate. For instance, menials may be put into one class; clerks in another; junior officers in a higher class; and the tope executives in the top class.

The exhibit 1.1.gives List the gradation of five classesclerksdesigned by a title; label and different values of each job on the basis of respective job duities and responsibilities.

Grades	Job Classification
Head Clerk	Those handling or capable Of taking a major decisionon the work they do; complicated work requiringmuch independentthinking.;able to consider detailsoutside the control.
Senior Clerk	"Technically varied work, occasionally independentthinking and action due to difficult work whichrequire exceptional clerical ability and extensiveknowledge of principles and fundamentals, of thebusiness of isdepartment.
Clerical Grade II	Pure routine concentration, speed and accuracy, worksunder supervision; may he held responsible forsupervision
Clerical Grade II	No super-vision by others, especially skilled Tor thejob by having, an exhaustive knowledge of the details.
Clerical Grade I	Must have the characteristic of a second class clerkand assume more responsibilities

Merits - The job clarification method hits several advantages The major merits of the method are:

1. This method is easy to understand and simple lo operate.
2. It is economical and , there lore, suitable for small organizations.

3. The grouping of jobs into classifications makes pay determination problems easy to administer.
4. This method is useful for government jobs.

Demerits - The job c lass i lie at ion method also has some disadvantages. The major demerits of the method are:

1. The method suffers, form personal bias of the committee members.
2. It cannot deal with complex jobs which will not fit neatly into one grade.
3. This method is rarely used m industries.
4. It is difficult to know how much of a job's rank is influenced by the mail on the job.
5. The system is rather rigid and unsuitable for a large organisations or for very varied work.

Quantitative Methods

Quantitative methods divide jobs into component parts and require absolute or relative value judgments about Bow much of a component part a particular job requires. The two most popular types of quantitative systems are the point rating and factor comparison methods.

Point Rating Method - Tins is most widely used system of job evaluation. The method evaluates the compensable factors of each job. It involves a more detailed, quantitative and analytical approach to the measurement of job work. Under this method jobs are broke down based on various i dentin able factors such as skill, effort, training, know ledge, hazards, responsibilities and so on. Thereafter, points are allocated to each of these factors. Weights are given to factors depending on their importance to perform the job Points so allocated to various factors of a job are then summed. Then, the jobs with similar total of points are placed in similar pay grades The sum of points gives an index of the relative significance of the jobs that are rated.

This system requires six steps and is usually implemented by a job evaluation committee or by an individual analysist..

1. **Determine critical factors** The points rating method includes the lb I wing job factors for allocation of points:
   a) Safely of other;
   b Equipment of materials;
   c) Assisting trainees;
   d) Product ion or service quality

2. **Determine the levels of factors**Since, the amount of responsibility or other factors may vary from job, the point rating method rates several levels associated with each factor. These levels help analysts reward different degrees of responsibility, skill, and other critical factors.

3. **Allocate points to sub-factors -**Willi the factors listed down one side and the levels placed across the top, the result is a point me I hod matrix. Slur ling with highest level, [he job evaluation committee subjectively assigns the maximum possible points to each sub-lac tor. The allocation allows the committee to give very precise weights to each element of the job

4. **Allocate points to levels** Once the total points for each job element are assigned under highest level, analysts allocate points across each row to reflect the importance of I he different levels.

5. **Develop points manually** Analysts then develop a point manual. Ti coniains a written explanation of each job element, it also defines what is expected Tor the various levels Of each sub-factor. These information is needed to assign -jobs to their appropriate levels.

6. **Apply the point system -** When the point matrix and manual are ready, the relative value of each job can be determined. This process is subjective. It requires specialists to compare job descriptions with the point manual for each sub-factor The match between the job description and the point manual statement reveals the level and points for each sub-factor of every job The points for each sub-factor are added to find the total number of points Tor the job. After the total points for each job are known, the jobs re ranked.

Exhibit 2.3 Points rating method matrix

	Compensible or critical tailors	Levels			
		Minimum I	**Low II**	**Moderate III**	**High IV**
i	**Responsibility**				
	a) Safety others	25	50	75	100
	b) Equipment and materials	20	40	60	80
	c) Assisting trainees	5	20	35	50
	d) Productservice quality	20	40	60	80
2.	Skill				

	a) Experience	45	90	135	180
	b) Education/training	25	50	75	100
3	EfForts				
	a) Physical	25	50	75	100
	b) Menial	35	70	105	150
4.	Working conditions				
	a) Unpleasant	20	40	60	80
	b) Hazards	20	40	60	80
	Total points				**1000**

Merits - The points rating hits several advantages. The major merits of the method are.-:

1. It is the most comprehensive and accurate method of job evaluation
2. Prejudice and human judgement are minimisedThe method can not be manipulated.
3. Being the systematic method, workers of the organisationfavour this method.
4. The scales developed in this method can he used for long time.
5. Jobs tan be easily placed in distinct categories

Demerits - The points rating method also has some disadvantages The major demerits of the method are:

1. It is both time-consuming and expensive method
2. It is difficult to understand for an average worker
3. A Sot of clerical work is involved in recording rating scales.
4. it is not suitable for managerial jobs wherein the work content is not measurable in quantitative terms.

Factors Comparison Method - This is a combination of both rating and point rating methods, It means rates jobs by comparing them and makes analysis by breaking jobs into compensable factors. This system is usually used to evaluate while collar, professional and managerial positions. The mechanism for evaluating jobs under this method involves the flowing steps.

1. **Determine the compensable factors** Analysts must first decide which factors are common and important in a broad range of jobs. The critical factors like responsibility, skill, mental efforts, physical effort and working conditions are most commonly used.

Some organizations use different factors for managerial, professional, sales, and other types of jobs.

2. **Determine key jobs -** Key jobs are those that are commonly found throughout the organization and are common in the employer's market. Common jobs re sleeted because it is easier to discover the market rate for them. Ideally, these benchmark jobs should be accepted by employee as key jobs and should encompass a wide variety of critical factors to be evaluated Typically, 10-25 key jobs are selected by the committee.

3. **Allocation present wages for key- jobs** —The job evaluation committee then allocates a part of each key job's current wage rate to each critical factor. The pro port ion wage assigned to each of the different compensable factors depends on the importance of the factor. The base rate agreed upon by the company.

Exhibit. 2.4 Allotments wages for key jobs.

Compensable orcritical factors	**Supervisor(RS.)**	**Electrician (Rs)**	**Assistant (Rs.)**
1. Responsibility	3.40	1J*0	1.40
2. Skill	3.00	1.K0	1.30
3. Mental effort	2.R0	1.50	1.40
4. Physical effort	1 .70	2.70	0.90
5. Working conditions	1.60	1.90	0.80
Total	12.50	9.70	5.80
Wage rate	12.50	9.70	5.80

4. **Place key jobs on a factor comparison chart -** Once the wage rates are assigned to the compensable factors of each key job, this information is transferred to a factor comparison chart. Key job titles re placed in the factor columns according to the rate of wages assigned to the job for each critical factor.

5. **Evaluate other jobs -** The titles of key jobs in each column of the factor comparison chart serve as benchmarks; other non-key jobs are then evaluated by lilting them in the rale scale under each factor column

Exhibit. 2.4 Allotments of wages Jot key jobs.

Rate	**Responsibility**	**Skill effort**	**Mentaleffort**	**Physicaleffort**	**WorkingConditions**
4 00	Supervisor				

3.00		Supervisor	Supervisor		
2.00	Electrician	Electrician	Supervisor	Electrician	Electrician
	Assistant	Assistant	Assistant	Assistant	Supervisor
1.00				Assistant	
0.00					Assistant

Merits - The factors comparison has several ad vantages. The major merits are:

1. It is more objective method of job evaluation
2. The method is flexible as there is no upper limit en the rating
3. It is fairly easy method to explain to employees
4 The use of limited number of factors (usually live) ensures less chances of over lapping and over-weighting of factors,
5 It facilitates determining the relative worth of different jobs. Demerits - The factors comparison method also has some disadvantages The major demerits of the method are.

1. It is expensive and time consuming method
2. Using the same five factors for evaluating iotas may not always be appropriate because jobs differ across and within organization.
3. It is difficult to understand and operate.

UNIT - 4

DISCIPLINE AND GRIEVANCE

Nature of discipline, types of discipline, causes of indiscipline, principles and procedure for disciplinary action, Essential of good disciplinary system, code of discipline. Meaning of grievance, sources of grievances, grievance Redressed machinery.

INTRODUCTIONS

Maintenance of harmonious human relations in an organization depends upon the promotion and maintenance of discipline. No organization can run properly without discipline. Discipline means orderliness in any field of activities. It implies the absence of irregularity, confusion, disorder and chaos in human behavior and activities.

In an industrial organization, discipline means the situation in which all the workers and employees follow the rules, regulations and procedure of the organization. A disciplined work force can meet the challenges of the organizations and contribute to the organizational objectives in a better way. Discipline can pave the way for co-operation among the task force and result in good human relations.

DEFINATIONS

According to the Richard D. Calthoon, "Discipline may be considered as force that prompts individuals or groups to observe the rules, regulations and procedures which are deemed to be necessary for the effective functioning of an organization."

Hence, in conclusion, it can be said that discipline is a process of training the employee so that he can develop self control and can become more effective in his work.

TYPES OF DISCIPLINE

DISCIPLINE

So far we have discussed about the definition of .grievance, its causes, grievance handling procedure and essentials of sound grievance procedure. Let us now discuss the other aspects of this unit which includes- Discipline, Indiscipline and disciplinary' action procedure which bears equal significance to the human resource management.

Discipline is the regulation and modulation of human activities to produce a control Led performance. It is the orderly conduct of affairs by the members of an Organisation: who adhere to its necessary- regulations because they desire to cooperate harmoniously. It is to encourage employees to confirm, to establish standards of job performance and to behave sensibly and safely at work place. According to Richard D. Calhoon, "'Discipline is the Force that prompts individuals or groups to observe rules, regulations, standards and procedures deemed necessary for an Organisation' . Therefore discipline means securing consistent behaviorism accordance with the accepted norms of behaviour. The main objective of discipline is to gain willing acceptance of the rules, regulations, standards and procedures of the Organisation from the employees and to develop a sense of tolerance and respect of human dignity. Discipline is broadly of two types:

Negative Discipline: kin the traditional aspect of discipline and is identified with ensuring that subordinates adhere strictly to rules and regulation. I he objective is to ensure that employees do not violate the rules and regulation. It involves fines., demotion, disciplinary action, layoff and transfer, etc.

Positive Discipline: in this type of discipline subordinates comply with the rules. Positive discipline can be achieved through rewards and effective leadership, the emphasis here is on cooperative efforts to secure compliance to Organizational norms. I h is approach to discipline will help the employees to achieve both the individual needs and Organizational goals. k reduces the need for personal supervision required to maintain standards. It would, therefore, motivate subordinates to work with zeal and fulfill their needs.

3. **Self controlled discipline:**

In self controlled discipline the employee brings her or his behavior in to agreement with the organizations official behavior code, i.e: the employee regulate their activities for thecommon good of the organization. As a result the human beings are induced to work for a peak performance under self controlled discipline.

4 **Enforced Discipline:** Is a managerial action enforces employee compliance with organization's rules andregulations. ie.it is a common discipline imposed from the top here the manager exercises his authority tocompel the employees behave.

NATURE OF DISCIPLINE

Maintenance of discipline is a prerequisite to the attainment of maximum productivity, not only of the firm but also for the entire nation. It is only because of this that. After all everything is a matter of realization! No amount of pressure can succeed in the long run unless one is committed to improve or learn.

True discipline is educational because it changes the very attitude of the workers towards their work and workplace. It must, therefore, be understood that discipline must be developed from within. Another important point that you should note here is that discipline has to be reformativeand not punitive. We should aim at development rather than punishing. I am sure that you will adhere to something that is explained to you in a calm and matured way rather than that is ordered! According to Megginson, discipline involves the following three things.

1. Self-discipline.
2. Orderly behavior.
3. Punishment

Self-discipline implies that a person brings the discipline in himself with a determination to achieve the goals that he has set for himself in life.

Orderly behavior refers to discipline as a condition that must exist for an orderly behavior in the organization.

Punishment is used to prevent indiscipline. When a worker goes astray in his conduct, he has to be punished for the same and the recurrences of it must be prevented.

INDISCIPLINE

Indiscipline means disorderliness, insubordination and not following the rules and regulation of an organization. The symptoms of indiscipline are change in the normal behaviour, absenteeism, apathy, go-slow at work, increase in number and severity of grievances, persistent and continuous demand for overtime allowance, and lack of concern for performance.

Causes of indiscipline

- -Non-placement of the right person on the right job
- -Undesirable behaviour of senior officials.
- -Faulty evaluation of persons and situations by executives leads of favoritism.
- -Lack of upward communication.
- -Leadership which is weak, flexible, incompetent and distrustful.
- -Defective supervision and an absence of good supervisors who know good techniques, who are in a position to appreciate critically the efforts or their subordinates.
- -Lack of properly drawn rules and regulations.
- -Workers' personal problems, their fears, apprehensions, hopes and aspirations; and their lack of confidence in and their inability to adjust with their superior and equals.

- -Worker's reactions to rigidity and multiplicity of rules and their improper interpretation.
- -Intolerably bad working conditions.
- -Inborn tendencies to flout rules.
- -Absence of enlightened, sympathetic and scientific management.
- -Errors of judgement on the part of the supervisor or the top management.
- -Improper co-ordination, delegation of authority and fixing of responsibility.
- -Discrimination based on caste, colour, creed, sex, language, and place in matters of selection, promotion, transfer, placement and discrimination in imposing penalties and handling out rewards.

PRINCIPLES AND PROCEDURE FOR _DISCIPLINARY ACTION_

Despite best efforts, acts of indiscipline occur and it becomes necessary to take a disciplinary action. While taking d isci pi inary action the following principles ofnatural justice should be followed:

- Disciplinary procedures apply to all Staff and will he applied in a nondiscriminatory manner
- No action other than suspension where necessary will be taken until the a (legations have been fully investigated.
- It is important to ensure national labour law and best practice is followed.
- The staff member will be advised in wrriting of the nature of the comp1aint and the possible sanctions.
- He/she will be given the opportunity to stale his/her case before any decision regarding disciplinary actionismade.
- At all stages the staff member will have the right to be accompanied by a work col league or frade Union representative.
- No staff member will be dismissed for a first breach of discipline except in the case of gross misconduct.
- Thestaff member will have the right to appeal misconduct and gross misconduct in accordance with the appeals procedure

The main purpose of the disciplinary' process is to encourage a staff member, whose standard of work or conduct is unsatisfactory, to improve. ! he aim is to ensure fair and consistent treatment for all.

1. **Issue Charge Sheet:** Management issues a. charge sheet in the employee after the prima facie case of misconduct is established. Charge sheet is merely a notice of the charge and provides the employee an opportunity to explain his/her conduct. Charge sheet is generally known as a show cause notice. The cahrge sheeted employee is expected to show the reasons for such conduct of behavirour. Eachcharge should be clearly specified in the charge sheet. There should be a separate charge for each allegation.
2. **Consideration of Explanation.** The explanation of the charge sheeted employee should be considered. I fit is found satisfactory, no disciplinary action needs to be taken. On the contrary when the management is not satisfied with the employee's explanation, the management may initiate a full - fledged enquiry.
3. **Suspension Pending Enquiry,** if the charge is majorand serious, a suspension order may be served on the employee along with the charge sheet. According to the industrial Employment (Standing Order) Act, 194the suspended worker is to be paid a subsistence allowance equal to one-half of his wages for the first ninety days of suspension. The three-fourths of wages for the remaining period of suspension i s paid if the delay in die completion of disciplinary proceedings is not due to the worker's conduct. In accordance with the Code of Discipline, the management decides whether the charge is grave or serious.
4. **Holding of Enquiry**, An enquiry officer should be appointed to hold the enquiry. I he concerned employee will be served notice to this effect. The employee should not be den led the chance of explaining his/her point of vie won the issue, The enquiry officer should give sufficient advance notice to the employee to provide an opportunity to prepare and present the case and make submission in his/'her defense. The enquiry officer should proceed in a proper manner and examine witnesses. H air opportunity should be given to the employee to cross-examine the management witnesses.

On the conclusion of the enquiry7, the enquiry officer should record the findings and the reasons thereof the enquiry officer should refrain from recommending punishment and leave it to the decision of the appropriate authority.

5. **order of Pubnishment.**Discip1inary action can be taken when the misconduct of the employee is proved. While deciding the nature ofdisciplinary action, the employee's previous record and precedents,, etc., should be considered. When the employee repots

that the enquiry conducted was not proper and the action taken was unjustified, the employee must be given a chance to make appeal.

ESSENTIALS OF A GOOD DISCIPLINARY SYSTEM:

The observance of discipline should become a part of habit among employees. This will help in creating congenial, co-operating and encouraging atmosphere in the organisation. Disciplineshould be observed voluntarily by everyone. Sometimes, it has to be enforced by fear or punishment in the interest of the discipline.

The following are the essentials of a good disciplinary system:

(i) Proper Understanding of Rules:

The first essential of a disciplinary system is the proper understanding of rules and procedures to be followed in the organisation. If the employees do not understand the rules and their implications for non- observance then they will not be able to follow them well.

The supervisors should also have a proper knowledge of various rules etc. If they are well versed with rules then they will be able to communicate them properly to the subordinates. So the knowledge and understanding of rules is essential for a disciplinary system.

(ii) Documentation of the Misconduct:

Managers should have proper documented evidence of the misconduct by the employee. It is a very essential requirement, which helps the managers, in case there is any repercussion of disciplinary action.

The following facts should be documented by the discipline in charge:

i. Date, time and location of incident.
ii. Facts of the case (negative behaviour or misconduct by employee).
iii. Effect of the misconduct or its consequence.
iv. Meeting with the employee (Meeting involves advice, counselling etc. so that the employee commits non - repetition of misconduct).
v. Employee's reaction to the meeting.
vi. Witnesses (if any) to the misconduct, their names and willingness to give witness.

(iii) Training of Supervisors:

Supervisors and managers should be given proper training so that they understand, when and how the discipline should be used. Impulsive actions on the part of managers can prove harmful for the organisation.

(iv) Quick Action:

Whenever there is a violation of the rules and procedures, then quick action should be taken to enquire into it. The person guilty of violation should be immediately punished. The person willfeel the pinch of punishment and will be careful in future. In case the action is delayed then the defaulter will forget the violation and the punishment will not have the desired effect.

(v) Properly Defined Procedure:

There should be a properly defined procedure for taking disciplinary action. Whenever a violation of discipline occurs the concerned superior should report it to the competent authority. There should be an enquiry into the violation and the circumstances leading to it.

The reasons for non-observance of discipline should be determined for taking appropriate action. All possible facts should be gathered about the event and the circumstances related to it. The past record of the concerned person should also be seen to find out whether he is a habitual discipline breaker or not.

After making the enquiry the disciplinary action to be taken should be decided. The action should be such which will discourage the repetition of violations. The aim of disciplinary action should be to rectify and avoid a violation in future rather than punishing a person. The accused person should also be given a proper hearing before taking any action. He should also have a right to appeal against the action.

(vi) Fair Action:

Disciplinary action should be very fair. All violations, whether big or small, should be taken note of. Once a small violation is ignored, it may encourage others to make big violation also. There should be no distinction among the persons making violation.

Rules should be the same for every person and their violations should also attract the same amount of action. The offenders should be given a chance to explain their position. Nobody should be taken as guilty unless otherwise is proved.

(vii) Disciplinary Action be Taken Tactfully:

Disciplinary action against a defaulting employee should be taken tactfully. The subordinate must be informed of his wrong acts for which action is taken against him. He should also be told how he can avoid such punishments in future. Action should be taken only by the immediate superior because it is he who remains in constant touch with the person.

Disciplinary action should always be taken in private. If the subordinate is reprimanded before his colleagues then he will become offended and arrogant. The purpose of such action is to rectify the employees and not to insult them. So disciplinary action should be taken tactfully otherwise it will prove counter-productive.

(viii) Impersonal Discipline:

Effective discipline is that which focuses on undesirable behaviours and not on the persons. The disciplinary action should be, as far as possible, corrective rather than punitive. Its objective should be to check undesirable behaviours rather than punishing the employees. Self-Discipline is the best form of discipline and management should encourage such sense of discipline among employees.

(ix) Reviews and Revision:

All the policies, rules, regulations and procedures should be appraised at regular intervals to ensure that they are in tune with the changing times. If a particular rule is violated time and again, it should be thoroughly studied to discuss and remove the causes of such violations.

CODE OF DISCIPLINE

- To maintain harmonious relations and promote industrial peace, a Code of Discipline has been laid down which applies to both public and private sector enterprises. It specifies various obligations for the management and the workers with the objective of promoting cooperation between their representatives.
- The basic objectives of Code of Discipline are to: Maintain peace and order in industry.
- Promote constructive criticism at all levels of management and employment.
- Avoid work stoppage in industry.
- Secure the settlement of disputes and grievances by a mutually agreed procedure.
- Avoiding litigation.
- Facilitate a free growth of trade unions.
- Eliminate all forms of coercion, intimidation and violations of rules and regulations governing industrial relations.

The Code is based on the following principles:

- There should be no strike or lockout without prior notice.
- No unilateral action should be taken in connection with any industrial matter.
- Employees should not follow go slow tactic.

- No deliberate damage should be caused to a plant or property
- Acts of violations, intimidation and coercion should not be resorted
- The existing machinery for the settlement of disputes should be utilized.
- Actions that disturb cordial relationships should be avoided.

GRIEVANCES

INTRODUCTION

Grievances relate to problems of interpretation or perceived non fulfillment of one's expectations from the organisation. A grievance is a complaint of one or more workers with respect to the organisation. It can be related to wages, conditions of work, leave, transfer, overtime, promotion, seniority, job assignment and termination of service.

According to Dale Yoder "A grievance is a written complaint filed by an employee and claiming unfair treatment."

Keith Davis defines it as "any real or imagined feeling of personal injustice which an employee has concerning his employment relationship."

According to Jucius "a grievance is any discontent or dissatisfaction, whether expressed or not, whether valid or not arising out of anything connected with the company which an employee thinks believes or feels to be unfair, unjust or inequitable."

SOURCES OF GRIEVANCES

Grievance is a feeling of unfair treatment at work. It can be resulted from dissatisfaction of work. In this regard, sources or causes of grievance can be anything that results dissatisfaction or involving wages, working hours, or conditions of employment are the basis of grievance. The causes or sources of grievance are classified into three categories as follows:

1. Management Policies

The policies and procedures adopted by management give rise to grievance. The autocratic or bureaucratic style of management, for instance, is hardly liked by educated masses. But they favor rather a participative style of management. Similarly, management practices also lead to employee grievance at work as the want to exploit employees through reduction in pays and other benefits. Grievances resulting from management policies are:

- Wages rates or scale of pay
- Overtime
- Leave

- Transfer improper matching of the worker with the job
- Seniority, promotion and discharge
- Lack of career planning and employee development
- Lack of regard for collective agreement
- Hostility towards a labor union
- Autocratic leadership style of supervisors.

2. Working Conditions

Working conditions are relative to the work environment of the organization. If the working environment of company is good, employees will get less place for grievance. Grievance resulting from working conditions are:

- Unrealistic environment
- Non-availability of proper tools, machines and equipments for doing the jobs
- Tight production standards
- Bad physical conditions of workplace
- Poor relationship with the supervisor
- Negative approach to discipline

3. Personal Factors

Personal factors are related to the personality traits of individuals. Sometimes, these personality traits also cause the emergence of grievances at work. Some important personality traits that result into grievance are:

- Over ambition
- Narrow attitudes
- Excessive self esteem
- Gambling and fault finding attitude
- Mental tension

GRIEVANCE REDRESSAL MACHINERY

Setting up of Grievance Redressal Machinery.

(1) Every industrial establishment employing twenty or more workmen shall have one or more Grievance Redressal Committee for the resolution of disputes arising out of individual grievances.

(2) The Grievance Redressal Committee shall consist of equal number of members from the employer and the workmen.

(3) The Chairperson of the Grievance Redressal Committee shall be selected from the employer and from among the workmen alternatively on rotation basis every year.

(4) The total number of members of the Grievance Redressal Committee shall not exceed more than six: Provided that there shall be, as far as practicable, one woman member if the Grievance Redressal Committee has two members and in case the number of members are more than two, the number of women members may be increased proportionately.

(5) Notwithstanding anything contained in this section, the setting up of Grievance Redressal Committee shall not affect the right of the workman to raise industrial dispute on the same matter under the provisions of this Act.

(6) The Grievance Redressal Committee may complete its proceedings within thirty days on receipt of a written application by or on behalf of the aggrieved party.

(7) The workman who is aggrieved of the decision of the Grievance Redressal Committee may prefer an appeal to the employer against the decision of Grievance Redressal Committee and the employer shall, within one month from the date of receipt of such appeal, dispose of the same and send a copy of his decision to the workman concerned.

(8) Nothing contained in this section shall apply to the workmen for whom there is an established Grievance Redressal Mechanism in the establishment concerned."