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INDUSTRIAL RELATIONS

BACKBONE

OF

BUSINESS

SUSTAINABILITY

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INDUSTRIAL RELATIONS - BACKBONE OF BUSINESS SUSTAINABILITY

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INTRODUCTION OF GUEST AUTHORS



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He has around 23 years of rich experience in Human Resources domain across Automobile, Apparel and FMCG industries.

He has bagged the “National Award for best Industrial Relations for the year 2018” for Pricol Limited.

Industrial Relations (IR) – Backbone of Business Sustainability

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Introduction:

Industrial Relations practice was founded by John R. Commons when he created the first academic industrial relations programme at the University of Wisconsin in 1920. Today, after more than a century, we are still striving to establish the right practice for enhancing Industrial Relations at workplace despite massive advances in technology and communications. The quality of HR professionals and management is still the single-biggest differentiator amongst the practitioners for Industrial Relations.

Industrial Relations is the way in which management interacts with the employees to increase overall productivity, reduce workplace conflict, and raise staff morale. A healthy employee relationship leads to an increased level of satisfaction among the employees and in turn to increased productivity. Workplaces become a much happier place and employees tend to concentrate more on the work rather than unproductive things.

India is one of the most labour-intensive countries in the world with a mix of all generations from traditionalists to centennials at the workplace. It is a herculean effort to keep HR relevant, and position it as a true enabler to the business.

The fundamental role of HR is to add value to an organization by placing the right talent, keeping the workforce motivated and by maintaining a healthy organizational culture. But the onset of the Covid-19 pandemic disrupted the HR department in unprecedented ways. The pandemic brought major changes to the way we work and live. No organization has been left untouched and unaffected by the deadly virus. Thus, it added new roles and practices besides the existing ones. The HR practitioners for long have been focusing more on transactional issues and less on the people-centric challenges at work. Now, the time has arrived to focus more on the 'people' of the organization, to build a high-impact IR, and there is a need for the trade unions also to recognize this change.

Industrial Relations (IR) is a behaviour to enable value enhancement.

Education is not for knowing more things, but for behaving differently.
– Ruskin Bond.

Rapid advancement in the new technologies is causing change to reverberate through the workplace. Combined with an aging workforce and shifts in labour supply and skill availability, it has never been more important or challenging to stay ahead of the competition and disruption. It means the organizations should be agile and nimble, should have a very sharp focus on business deliverables - and it means a lot of challenges for the HR function to adapt itself.

During this unprecedented volatile business environment, employee trust on management can be a precious commodity. When the trust levels are low, employees are more likely to look for jobs elsewhere or create conflicts particularly during the time of organizational change or distress. The trust can be built by a progressive Industrial Relations with all level of employees.

The progressive Industrial Relations do not happen by chance, they are deliberately designed and intentionally built. The goal of IR is essentially to build mutual trust. In my previous assignment, I had adopted RREE (Respect, Refresh, Enable and Execute) to promote collaborative Industrial Relations across the organization.

Respect - Create an environment where employees can work fearlessly. It is reinforced by a very effective two-way communication mechanism. Content, clarity and connect are the prerequisite for employee communication initiatives. For example, the content (company performance, competitor performance, opportunity lost, etc., for monthly union meeting, quarterly employee communication and monthly performance dashboard) are integrated with clarity and it was well connected with every employee in the organization. The management and the HR professionals “Walked the Talk” with empathy across the organization which in turn promoted mutual trust on what was communicated.

Refresh - Build a mechanism for promoting constant and voluntary continuous environment. It was demonstrated through continually reviewed and revisited people processes, systems redesign and by engaging and involving employees in all development activities and risks to secure a diverse skillset and a strong skill pool that is relevant to the future needs. These continual actions eliminated compliance driven practices and institutionalized voluntary participative culture. We were privileged to had TFI (Total Family Involvement) in our business journey.

Enable - Employees are fully committed through employee development. The committed workforce was able to access a wide range of capabilities and experiences from across the skill eco-system. The management invested in skill assessment and development beyond the traditional employment deal and focused on the whole person agenda which energises the employees and their family members and makes them aware how the management supports their physical, financial, and emotional well-being.

Execute – Promote team work to achieve individual roles & optimal company performance. The above three steps make an employee feel that the employees are growing and contributing, and find their work engaging and fulfilling as management moves beyond profit to inspire employees with a sense of purpose. The connected and empowered employees are able to access the skill and knowledge and the people they need to form teams to deliver the business deliverable with greater pride.

The RREE model was built on mutual trust which refers to the confidence that each party will fulfil its obligations and behave as expected to achieve sustainable business excellence consistently.

Industrial Relations (IR) is an Art from the Heart

The greatest danger in times of turbulence is not the turbulence; it is to act with yesterday's logic. – Peter Drucker.

The global business environment is changing: Its fast pace, increasing technology use, rising employee expectations, and increasing cost pressures have shifted organizational priorities. As such, HR leaders are questioning whether their current ways of working will serve organizations and the organization to perform better. It is important that the employees are comfortable with each other, share a good rapport and work in close coordination towards a common objective. Employees feel responsible and motivated to do good work and enjoy their work rather than taking it as a burden.

It is important that the management promotes healthy employee relations at workplace to leverage the best out of every employee. Competition is essential but it should not promote negativity or any kind of enmity among the employees. Many organizations are exploring new ways to organize the function to be agile, strategically aligned with the business and customer-centric about employee needs.

Today employees are looking for more than just a place of work. Instead, employees want jobs that work for them such as jobs employees can embrace and craft in ways that allow them to bring their full selves to work and take an even better version of themselves home. Employees expect their management to provide them with tools to manage their health, wealth, and career in a way that is personalized, flexible, and unique to their own interests, aspirations, and life stage needs. A sense of personal ownership & empowerment is a critical part of an employee's engagement.

Transforming the Industrial Relations into a compelling experience for each and employee requires taking a holistic view of Human Resource Management strategy and using both Art and Science to make IR resonate.

The “Science” side of IR starts with workforce analytics to map internal employee movements and identify personas that represent typical populations. It leverages conjoint analysis to pinpoint those distinct benefits that appeal to each persona’s unique interests, wants, and needs. The best relationship between management and employees can learn what benefits are being used by different personas and make intuitive suggestions to employees at the right time. The progressive IR culture can recommend when a benefit or a career move or team formation to meet the business requirements might be most appropriate for an employee, but the conversations between employees and their managers that bring these choices to life.

The Art of the IR is and will remain, the human contact. The responsibility for this lies with the line managers and HR team members. Empathy and productivity are related, and empathising employees feel engaged with organization and its objectives can be achieved against the set metrics including profitability. When line managers and team leaders interact with their team members on regular basis can be taken advantages of by discussing & agreeing on intermediate and final targets and reviewing past work informally. This will enable and infuse the right dose of discipline in the workplace.

The four labour codes have very clear 4 purposes of consolidation, change, commitment and reform and how quickly we unlearn our current labour law procedures & practices and relearn our new labour codes for promoting progressive sustainable IR is an ART of every HR professional soon.

Conclusion

The illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn. - Alvin Toffler.

Presently industrial violence incidences get flashed on electronic media immediately as “news” and there is limited coverage on the analysis. Each of these occurrences have two sides and history of earlier actions that lead to the final incident.

After globalization era, in the 1990s, most of the organizations both in manufacturing and service sector not only changed the name of Personnel

Management Department to Human Resource Department and has divorced Industrial Relations. HR, who took an approach that they would avoid employing blue collar and white-collar workers, deal in a very limited manner with trade unions. Many of the HR professionals totally ignored the relationship part of the job, started using fashionable jargons and terminologies in the arena of human resources.

Now, the government has codified 29 of its national level labour laws into 4 codes. The several labour laws were almost 60-80 years old and outlived their usefulness long ago. Not only had it led to lack of inclusions of several of the current workforce categories, but it had also built a whole set of HR fraternity who have no clue on these elements of their profession. We hope that the labour codes have a long-term positive impact on the industry overall and should contribute towards ease of doing business.

Business today is highly competitive and dynamic. Hence, business strategies keep changing fast. HR professionals not only need to understand the business but to use technology to treat employees and everyone with respect. HR professionals must promote the transparency and integrity which will result in employees and management to build mutual trust and reduce overheads and work with more agility & happiness. The mutually trusted progressive Industrial Relations promotes true collaboration to solve complex problems cross functionally and directly with business. Therefore, enhanced Industrial Relations is the backbone of business sustainability.

The organisations earn exceptional credibility, loyalty, and trust of their employees. Consequently, they grow much faster by earning greater profits than any other organisation. High-impact IR integrated with HR strategies facilitate higher levels of employee engagement & productivity and turns the overall work experience more rewarding.

Thus, the integrated progressive Industrial Relations (IR) in HR strategies are ensuring Increasing Revenues (IR) for all stakeholders in the organization.



About NIPM

National Institute of Personnel Management (NIPM), is the only all India body of professional managers engaged in the profession of Human Resource Management, Industrial Relations, Labour Welfare, and Training & Development in the country. It came in to existence on 15th March 1980 as a result of merger of two professional institutions, namely the Indian Institute of Personnel Management (IIPM) established in 1948 in Kolkata and the National Institute of Labour Management (NILM) established in 1950 in Bombay, now Mumbai.

With its National Office at Kolkata, NIPM has a total membership of about 10,000 spread over 53 Chapters all over the country.

NIPM is a nonprofit making body devoted to building professional excellence in the field of Human Resource Management through regular activities ranging from Evening Lectures to People Process Quality Certifications. Post Graduate Diploma in Personnel Management (PGDPM), the 2 years flagship academic programme of NIPM is widely recognized by industries in India for a career in HRM. NIPM has set up dedicated wings for Corporate Training & Consulting and Research & Development to leverage its vast experience and expertise. NIPM 4000-2016, the Global Standards for Quality of People Process, is aimed at defining global benchmarks for HR processes in organizations. NIPM 4000-2016 certification is the mark of Excellence of people processes in organizations.

The annual National Conference (NATCON) of NIPM is the greatest learning event in the country attended by eminent business and HR leaders from India and other Asian countries. The HR Excellence Award of the Institute, to be the most valued Award, is set up to track and recognize the HR professionals who make a significant difference. NIPM also organizes regular seminars, workshops, conferences on contemporary themes, and HR technical trainings for technical update through its Chapters across the country. NIPM reaches out to Management Students for their early professional grooming to make them 'Industry Ready'. The Student Chapters of NIPM are taking Root. 'Personnel Today' the professional journal of NIPM, is the most valued publication.

All endeavors of the Institute are aimed at continuously defining and redefining the benchmarks of Professional Excellence for People and People Processes and supporting the professionals and organizations achieving them.

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