



MURANGA UNIVERSITY COLLEGE

(A constituent College of Jomo Kenyatta University of Agriculture & Technology)

MAIN CAMPUS

ORDINARY/ UNIVERSITY EXAMINATIONS

2014/2015 ACADEMIC YEAR

THIRD YEAR SECOND SEMESTER EXAMINATIONS

**FOR THE DEGREE
OF
BACHELOR OF SCIENCE HUMAN RESOURCE MANAGEMENT**

COURSE CODE: HEH 2308

COURSE TITLE: INDUSTRIAL RELATIONS

DATE: 24TH APRIL 2015

TIME: 2 HOURS

INSTRUCTIONS TO CANDIDATES

Question ONE (1) is compulsory
Answer THREE (3) questions

MRUC observes ZERO tolerance to examination irregularities

This Paper Consists of 2 Printed Pages. Please Turn Over. ►

QUESTION ONE

- (a) Explain the role of employers in maintaining smooth industrial relations (10 marks)
- (b) An employee in your department is often reporting late to work. As the Human Resource Manager, what factors would you consider when disciplining him / her?. Explain the procedure for taking disciplinary action. (12 marks)
- (c) Discuss any four systems of disseminating information in an organization highlighting the circumstances under which they are used. (8 marks)

QUESTION 2

- (a) What is a tripartite relationship? Discuss the major benefits of Tripartite Cooperation at industry level (12 marks)
- (b) Discuss the major functions of the International Labour Organization (ILO) .(8 marks).

QUESTION 3

- (a) Describe the objectives and forms of workers' participation in management (10 marks)
- (b) Explain the machineries constituted for settlement of industrial disputes (10 marks).

QUESTION 4

- (a) Discuss the various styles inherent in collective bargaining (12 marks)
- (b) Define the term grievance and explain why grievances occur in an organization of your choice (8 marks).

MARKING SCHEME – ORDINARY EXAMINATION

QUESTION 1

- (a) Such responsibility of the employer in industrial relations centres on the following areas:
- Establishing appropriate contractual relationship between the organisation and the employees.
 - Taking steps to grant recognition to trade unions which have been registered by the appropriate government agency.
 - Putting into place appropriate structures with which to manage the trade union activities in the organisation.
 - Establishing appropriate structures for the practice of collective bargaining for resolving industrial conflict.
 - Establishing appropriate structures for the management of workers' grievances on individual basis as well as for group of employees.
 - Establishing appropriate policies and procedures for handling disciplinary issues in the organisation.
 - Creating enabling environment for the workers to participate in management decisions which affect their lives at the workplace and the organisation as a whole.
 - Produce and make available to the workers, organisation manual that incorporates the conditions of service under which the workers have to work.
 - Fostering team building and interpersonal relations among the workers so as to engender mutual understanding among the workers.
 - Recognising and incorporating existing industrial laws and regulations in fashioning out industrial policies and procedures for dealing with industrial matters in the organisation.
- (b) Factors to Consider when Disciplining
- i. Seriousness of the problem - How severe is the problem? dishonesty is usually considered a more serious infraction than reporting to work 20 minutes late.
 - ii. Duration of problem - Have there been other discipline problems in the past, and over how long a time span? A first occurrence is usually viewed differently than a third or fourth offense.
 - iii. Extenuating Factors - Are there extenuating circumstances related to the problem? The student who fails to turn in her term paper by the deadline because of the death of her grandfather is likely to have her violation assessed more leniently than will her peer who missed the deadline because he overslept.
 - iv. Degree of socialization - To what extent has management made an earlier effort to educate the person causing the problem about the existing rules and procedures and the consequences of knowledge that the violator holds of the organization's standards of acceptable behavior.
 - v. Discipline generally follows a typical sequence of four steps: written verbal warning, written warning, suspension, and dismissal.
- Disciplinary procedure

- **Written Verbal Warning** - The mildest form of discipline is the written verbal warning. Yes, the term is correct. A written, verbal warning is a temporary record of a reprimand that is then placed in the manager's file on the employee. This written verbal warning should state the purpose, date, and outcome of the interview with the employee. This in fact is what differentiates the written verbal warning from the verbal warning, because of the need to document this step in the process. The verbal warning must be put into writing. The difference, however, is that this warning remains in the hands of the manager; that is, it is not forwarded to HRM for inclusion in the employee's personnel file. The written verbal reprimand is best achieved when completed in a private and informal environment. The manager should begin by clearly informing the employee of the rule that has been violated and the problem that this infraction/breach has caused. For instance, if the employee has been late several times, the manager would reiterate the organization's rule that employees are to be at their desks by 8:00 A.M, and then proceed to give specific evidence of how violation of this rule has resulted in an increase in workload for others and has lowered departmental morale. After the problem has been made clear, the manager should then allow the employee to respond. Is he aware of the problem? Are there extenuating circumstances that justify his behavior? What does he plan to do correct his behavior? After the employee has been given the opportunity to make his case, the manager must determine if the employee has proposed an adequate solution to the problem. If this has not been done, the manager should direct the discussion toward helping the employee figure out ways to prevent the trouble from recurring. Once a solution has been agreed upon, the manager should ensure that the employee understands what, if any, follow-up action will be taken if the problem recurs.

- **Written Warning** - The second step in the progressive discipline process is the written warning. In effect, it is the first formal stage of the disciplinary procedure. This is because the written warning becomes part of the employee's official personnel file. This is achieved by not only giving the warning to the employee but sending a copy to HRM to be inserted in the employee's permanent record. In all other ways, however, the procedure concerning the writing of the warning is the same as the written verbal warning; that is, the employee is advised in private of the violation, its effects, and potential consequences of future violations. The only difference is that the discussion concludes with the employee being told that a formal written warning will be issued. Then the manager writes up the warning stating the problem, the rule that has been violated, any acknowledgment by the employee to correct her behavior, and the consequences from a recurrence of the deviant behavior-and sends it to HRM.

- **Suspension** - A suspension or layoff would be the next disciplinary step, usually taken only the prior steps have been implemented without the desired outcome. Exceptions

where suspension is given without any prior verbal or written warning occasionally occur if the infraction is of a serious nature. A suspension may be for one day or several weeks; disciplinary layoffs in excess of a month are rare. Some organizations skip this step completely because it can have negative consequences for both the company and the employee. From the organization's perspective, a suspension means the loss of the employee for the layoff period. If the person has unique skills or is a vital part of a complex process, her loss during the suspension period can severely impact her department or the organization performance if a suitable replacement cannot be located. From the employee's standpoint, a suspension can result in the employee returning in a more unpleasant and negative frame of mind than before the layoff. Then why should management consider suspending employees as a disciplinary measure? The answer is that a short layoff is potentially a rude awakening to problem employees. It may convince them that management is serious and may move them to accept responsibility for following the organization's rules.

- Dismissal - Management's ultimate disciplinary punishment is dismissing the problem employee. Dismissal should be used only for the most serious offenses. Yet it may be the only feasible alternative when an employee's behavior seriously interferes with a department or the organization's operation. A dismissal decision should be given long and hard consideration as being fired from a job is an emotional trauma. For employees who have been with the organization for many years' dismissal can make it difficult to obtain new employment or may require the individual to undergo extensive retraining. In addition, management should consider the possibility that a dismissed employee will take legal action to fight the decision. Recent court cases indicate that juries are cautiously building a list of conditions under which employees may not be lawfully discharged.

(c) systems of disseminating information in an organization

- Communications through an intranet system - Organizations are increasingly relying on an internal e-mail system (the intranet) to communicate information, especially in workplaces where all or most of the employees have direct or indirect access to a computer. The advantage of intranet communications is that they can be transmitted swiftly to a wide audience. They can also be used for two-way communications – employees can be invited to respond to questions or surveys.
- Magazines - Magazines or house journals are an obvious way to keep employees informed about the company and are often used for public relations purposes as well. They explain the achievements of the company and may thus help to increase identification and even loyalty. The biggest danger of this sort of magazine is that it becomes a public relations exercise which is seen by employees as having little relevance to their everyday affairs.
- Newsletters - Newsletters aim to appear more frequently and to angle their contents more to the immediate concerns of employees than the house magazine. To be effective, they

should include articles specifically aimed at explaining what management is planning to do and how this affects everyone. They can also include more chatty ‘human interest’ material about the doings of employees to capture the attention of readers.

Correspondence columns can provide an avenue for the expression of employees’ views and replies from management by the use of anonymous letters which are published if the writer gives his name to the editor.

- Bulletins - Bulletins can be used to give immediate information to employees which cannot wait for the next issue of a newsletter; or they can be a substitute for a formal publication if the company does not feel that the expense is justified. Bulletins are useful only if they are distributed quickly and are seen by all interested employees. They can simply be posted on notice-boards or, more effectively, given to individual employees and used as a starting point for a briefing session if they contain information of sufficient interest to merit a face-to-face discussion.

- Notice-boards - Notice-boards are an obvious but frequently misused medium for communications. The biggest danger is allowing boards to be cluttered up with uninteresting or out-of-date material. It is essential to control what goes on to the boards and to appoint responsible people to service them by removing out-of-date or unauthorized notices.
- Employee involvement - Employee involvement through such means as consultative committees provides a channel for two-way communication. Sometimes, however, they are not particularly effective, either because their thunder has been stolen by union negotiation committees, or because their proceedings are over-formalized and restricted and fail to address the real issues.
- DVDs - Specially made DVDs can be a cost-effective method of getting across personal messages (e.g. from the chief executive) or information about how the company is doing. They can, however, be regarded by employees as too impersonal and/or too slick to have any real meaning.
- Team briefings - The concept of team briefing (previously called briefing groups), is a device used to overcome the restricted nature of joint consultative committees by involving everyone in an organization, level by level, in face-to-face meetings to present, receive and discuss information. Team briefing aims to overcome the gaps and inadequacies of casual briefings by injecting some order into the system.

QUESTION 2

(a) A tripartite relationship is cooperation between three parties specifically the representatives of employers, employees and the Government who work in collaboration and through consultation and discussion, to resolve employment-related issues of common concern.

- Benefits of tripartite relationship at industry level;-
 - Can detect potential labour relations problems at an early stage and through the concerted efforts of employers, employees and the Government and nip such problems in the bud.

- Can facilitate mutual understanding of employers and employees on issues of common concern and reaching consensus through tripartite efforts.
 - Can set commonly accepted standards on employment-related issues to cater for the specific needs of individual industries;
 - Can forge partnership between employers and employees toward workplace cooperation.
 - Can foster long-term development of the industry which in the end will benefit both the enterprises and the employees.
- (b) The functions of the ILO include the following:-
- i. The development and promotion of standards for national legislation to protect and improve working conditions and standards of living.
 - ii. The ILO also provides technical assistance in social policy and administration and in workforce training;
 - iii. Fosters cooperative organizations and rural industries;
 - iv. Compiles labour statistics and conducts research on the social problems of international competition, unemployment and underemployment, labour and industrial relations, and technological change (including automation)
 - v. Helps to protect the rights of international migrants and organized labour.

QUESTION 3

The objectives of workers' participation in management are the following

- Economic objective. Workers participation in management aims at increasing productivity of labour by improving cooperation between employer and the employees. Productivity is sought to be increased by improving job satisfaction and industrial relations.
 - Socially, the need for participation arises because modern industry is a social institution with the interest of employer, the share-holders, the community and the workers equally invested in it. The purpose of participation therefore is to ensure human dignity and to get the workers a respectable status in the society.
 - Psychological objective of the scheme is to bring about a change in the attitudes of the workers by attempting to secure full recognition of the workers. Through participation he considers himself to be an indispensable constituent of the organization. Association of worker with management provides him with a sense of importance, involvement and a feeling of belongingness.
 - The ethical objective of participation is to develop workers free personality and to recognize human dignity.
 - The political objective of participation is to develop workers conscious of their democratic rights on their work place and thus bring about industrial democracy.
- Forms of worker participation in management

- Joint consultation model: In joint consultation model the management consults with the workers before taking decisions. The workers represent their view through 'Joint consultative Committees'. This form is followed in U.K., Sweden and Poland.
- Joint decision model: In this form both the workers and management jointly decide and execute the decisions. This form of participation is followed in U.S.A. and West Germany.
- Self management or auto management: In this model, the entire control is in the hands of workers. Yugoslavia is an example to this model. Where the state industrial units are run by the workers under a scheme called 'Self Management or Auto Management Scheme'.
- Workers' representation on board: Under this method, the workers elect their representative and send them to the Board to participate in the decision making process.
- Suggestion schemes – Under this system, workers are invited and encouraged to give suggestions for improving the working of the enterprise. Suggestion box is installed for workers to put forth their suggestions.
- Co-partnership – In this method, workers are made shareholders in the company in which they are employed. As partners, they take part in the management of the enterprise. They also share the company's profits in the form of dividends.

(b) The machineries constituted for settlement of industrial disputes include the following:

- **Collective bargaining**
Collective bargaining is a source of solving the problems of employees in the work situation collectively. It provides a good climate for discussing the problems of workers with their employers. The employees put their demands before the employers and the employers also gives certain concession to them. Thus it ensures that the management cannot take unilateral decisions concerning the work ignoring the workers. It also helps the works to achieve reasonable wages, working conditions, working hours, fringe benefits etc. It provides them a collective strength to bargain with the employer. It also provides the employer some control over the employees. The process of collective bargaining is bipartite in nature i.e., the negotiations are between the employers without a thirds party's intervention. Thus collective bargaining serves to bridge the emotional and physiological between the workers and employers through direct discussions.
- **Government Machinery**
The Ministry of Labour and Employment at the centre is the key agency for the policy formulation and administration in all the matters pertaining to labour. The State governments with the cooperation of their labour departments are responsible for the enforcement thereof. They are involved in framing of labour laws and settlement of industrial disputes.
- **Voluntary arbitration**
In case of existed or apprehended dispute, the disputing parties can enter into an arbitration agreement in writing. The success of voluntary arbitration depends on "a

sufficient degree of mutual confidence in decision by agreement on subjects which may be submitted for arbitration”.

- **Adjudication**

If the dispute is not settled by any other method, the government may refer it for adjudication. Hence it is a compulsory method which provides for three-tier system for adjudication of industrial disputes. This machinery consists of Labour Court, Industrial Tribunals and National Tribunal. The first two bodies can be set up either by State or Central Government but the National Tribunal can be constituted by Central Government only, when it thinks that the solution of dispute is of national significance. A Labour Court consists of one person only, called Presiding Officer, who is or has been a judge of a High Court. The jurisdiction of Industrial Tribunal is comparatively wider than Labour Courts, and further the Presiding Officer of Tribunal can have two assessors may be appointed by the Central Government to help its Presiding Officer. Labour Courts and Tribunals are now required to submit award to the appropriate government within three months in case of individual disputes The submitted award shall be published by government within 30 days from the date of its receipt.

- **Works committees**

Works committees should be established in every organisation having 100 or more employees. Having representatives of employees and employees, these are consultative bodies and are set up for maintaining harmonious relations at the work place and sort out the difference if any. Though the act does not define the jurisdiction of these committees, yet their functions mainly include providing proper working conditions and amenities for the welfare of employees at the work place or away from the work. A work committee aims at promoting measures for securing the preserving amity and good relations between employees and workers.

- **Conciliation**

When the services of a neutral party are availed for the amicable solution of a dispute between the disputing parties, this practice is known as conciliation. Conciliation and it can be utilized either by appointing Conciliation Officer or by setting up Board or Conciliation. In the conciliation process the officer tries to bring the disputing parties together towards a settlement of the dispute and hence works as a mediator. The intervention of conciliation officer may be mandatory or discretionary. But in the disputes related to public utilities in respect of which proper notice is served to him, his intervention becomes mandatory. The Board of Conciliation is a higher forum and is constituted for a specific dispute. It consists of equal number of representatives of employers and employees under the chairmanship of an independent person, appointed by the government. The Board has to submit its report to the government regarding the dispute within two months from the date dispute was referred to it. However, depending on the case, the period can be extended to a period of one year, unless declared otherwise by the appropriate government.

QUESTION 4

a) The various styles inherent in collective bargaining include the following:-

- **Conjunctive bargaining style**

This method is in tandem with the absolute requirements that some agreements be reached so that the operations on which both parties have depended may continue to function or exist. In terms of bargaining relationship between both parties in dealing with matters of divergent interest, each party tries to secure some advantage to the extent of its relative bargaining power. Furthermore, each party normally strives to aim for maximum advantage possible without much regard for the effect on the other party. The method is capable of being used to establish a system of industrial jurisprudence whereby employer and employee resolve their dispute rationally and peacefully.

This method is weak in terms of complete incapacity to satisfy the objectives of both parties. In addition, there is the problem of rigidity, which tends to reduce benefits and the needed cooperation. This method of collective bargaining is widely practiced in US.

- **Distributive bargaining style**

This method of bargaining is somehow similar to the conjunctive bargaining since each party is only interested in what it can achieve even at the expense of the other party. In essence, the method implies that one party strives to gain at the direct expense of the other party. This style is normally used when the issues at stake are in areas of monetary benefits, rest time, hours of work, and overtime pay, among other similar grounds of negotiation.

- **Cooperative bargaining style**

Cooperative bargaining method arises because of one party's sympathetic regard for the other and its voluntary choice of the other as partner; the management and the workforce regarding each other as partners in progress in their organisational setting. This method is normally adopted to ensure that the objectives of both parties are satisfied. Hence, the method enables both parties to share their rewards. The method is employed to ensure maximum cooperation by both parties. The method ensures that each party is depending on the other, so that both parties can achieve their objectives more effectively, by winning the support of the other. Under this method of bargaining, each party to the dispute depends on the other party for fruitful result since they can only achieve success with the cooperation of each other. The method is particularly useful when the issues at stake are of common interest to both parties.

- **Integrative bargaining style**

This method of bargaining is like the cooperative bargaining. Under this bargaining method, the emphasis is on common interests in its form of bargaining as greater consciousness means that each party will gain the cooperation of the other.

Some unions have conducted themselves in this manner for the purpose of joint protection of the industry from competitors or joint demand for special concessions from the government. More so it is not unusual, for instance, in the American system for the trade unions and industry spokesmen to come together in order to lobby for public subsidies and special legislation in favour of their industry. In this style, both parties to the dispute have mutual recognition of each other's purpose and therefore, both parties will be prepared to make concession. This method of bargaining becomes useful in period of economic recession resulting in shifting grounds on several issues under dispute.

- **Fractional bargaining style**

Fractional method of bargaining involves the sectional activities of some work groups who, because of either their strategic location in the work flow or special skill, seek supplementary agreements on behalf of the group alone. Such groups of workers are usually cohesive with their informal authority structure. Examples of such groups of workers in the public sector in Nigeria are the lecturers and medical doctors. In the event of the representatives (particularly the executives) trying to follow a policy of a particular local trade union which runs counter to the group interest, the members of the work group will simply ignore the elected officials and follow an informal spokesman. Given that a work force is made up of a collective of different work groups, it may be easier to appreciate such interest which accompanies bargaining and implementation of collective agreements.

Connective bargaining style

This method or style of bargaining implies that each party comes in to bargain in such a cooperation. manner that it strives to achieve its best while aiming at maximum result with minimum. The style becomes useful in a situation where one party will be interested in seeing that organisational operations are on course but will not like to lose out either.

- **Individual bargaining style**

The method involves an individual employee seeking an improvement on the prevailing conditions of his employment. This is done mainly by the white collar job holders particularly in the middle and top management hierarchy in organisations. As you can observe, employers generally tend to institutionalise individual bargaining for middle and higher members of management. More so, the Nigerian government has through measures, insisted on different workers' organisations for both white collar and manual workers, while the former group is prevented from affiliating with the Nigeria Industrial Congress.

(b) The term grievance refers to any dissatisfaction or feeling of injustice in connection with one's employment situation that is brought to the notice of the management.

- **Causes of grievances**

- Grievances resulting from working conditions

- Poor physical conditions of work place.
- Lack of proper tools, machines and equipments.
- Frequent changes in schedules or procedures.
- Rigid production standards
- Improper matching of the worker with the job.
- Poor relationship with the supervisor.

- Grievances resulting from management policy and practices

- Poor payment
- Lack of job security
- Inadequate benefits such as medical benefits, leave travel concession etc.
- Leave facilities
- Seniority
- Transfer
- Promotion
- Lack of career planning and development

- Hostility towards labour union
- Defective leadership style
- Communication gap

-Grievances resulting from alleged violations of

- Violation collective bargaining agreement
- Violation of Central/State laws
- Violation of common rules

-Grievances resulting from personal maladjustment

- Over ambition
- Excessive self-esteem