

**CHANGING ROLES OF TRADE UNIONS IN INDIA: A CASE STUDY OF  
BOKARO STEEL PLANT (BSP) BOKARO, JHARKHAND ( INDIA)**

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**ABSTRACT:**

The present study will be an attempt to examine the various factor which negative the growth of the Trade Union and changing role of trade union *inIndia* with special reference to Bokaro Steel Plant.

Trade union is one of the major components of industrial relation system in India. It is an association of employees to protect their interests and rights. Trade unions are important institutions is a steel plant organization and they play a vital role in providing proper working environment and congenial harmonious industrial relation in the steel plant.

Protection of basic human right, especially in developing nations like India forces unionization which is instrumental improving quality life of working class. In this absence of union the employer may become too paternalistic and dictatorial. However, responsible unions play significant role in maintaining cordial relationship with the management. Rapid technological change and play revisions, undoubtedly changes the working conditions and therefore there is change in the role of trade unions. The entry of foreign players due to globalization introduced pro-employer industrial policy, which changed the scenario of trade and the industrial system in India. Apart from their main objective of demand for pay and working conditions, now the trend is that plays key role in encouraging productivity and they are acting as an agent of social welfare.

**Keywords:** Trade Union, globalization, management, skill, Industrial, policy

## **INTRODUCTION:**

Trade Unions are vital institutions in an Industrial Relations System. Since 1991. The industrial scenario of the country has been changing. The State Government's industrial policy is mostly favouring the employers. Decisions are coming for the industries. Their interest is given priority. Unionism representing the ethos of collectivism appears to be getting marginalized. The last two decades have witnessed a number of changes in the global economic environment in the form of the emergence of the World Trade Organization (WTO) the changing world economic order, and so on. The changing pattern of the international division of labour is making its impact on the international labour market and it has also impact on internal labour market in India due to which the bargaining power of trade unions has undergone a change . has thus become necessary to study the impact of all these changes particularly on the role of trade union in industrial relation of particular organization.

The structural change of working class and competition intensity has changed the role of trade union and at the same time the employer has also become skilled and sensitive in managing working class. The economic reform process initiated during 90,s adopting Liberalization, Privatization and Globalization changed completely the model of development. The intervention of the state got lessened with the open market strategy which in fact has great influence on trade union since it strengthens the power of capitalist class. In the absence of state intervention capitalist argued for major labour reform, which allow them to have hire and fire workers and they become sole power to fix wages on the basis of demand and supply. Even if there was no specific labour reform, the organization started using different methods of unfair labour practice which reflected in reduction in growth of jobs and regular workers replaced with the contract workers to minimize the bargaining power of workers which weakness trade union movement in India .At the same time the employer used some weapons to pressurizing labour to accept unacceptable conditions of work. Various benefits are denied to the working class, since they are not regular workers and this method is used as a method of reducing cost to compete in the globalized market to earn profit. This profit aimed by the employer at the cost of labour class. By looking at the court judgment in recent years, it is observed that ,there is class compact between state and judiciary to accelerate the model of development, which is

major setback to the trade union in India. Moreover, in some of the judgment the Supreme Court ruled that, the government.

Now trend is instead of getting affiliation from one union which is backed by political parties, the employee started organizing independent industry wise unions, which weakens politically backed union in India. Since majority of trade union affiliated to one or the other political parties, their attitude towards other unions is changing and their unity sometimes limited to one occasion or for some struggle but divided immediately soon after. This lack of unity and co-operation is exploited by employer. It is a high time to shift from strategy of confrontation and conflict to co-operation and collaboration.

Bokaro Steel Plant Bokaro is one of the units of Steel Authority of India Limited(SAIL) the largest Steel Plant in Asia. Bokaro Steel Plant (BSP) is located in the district of Bokaro in Jharkhand .It is the fourth integrated public sector steel plant in India built with the help of Soviet. It was incorporated as limited company in 1964. It was later merged with the owned Steel Authority of India Limited SAIL) Currently it houses five blast furnaces with a total capacity to produce 4.5 MT of liquid steel.

By the late 1980s the company had around 65000 employees on its direct payroll, in worker grades almost all them male. By January 2017 this was down to 31,500 a reduction accomplished through voluntary retirement and natural attrition without forced redundancies or significant investment in labour saving technology.

In Bokaro Steel Plant there is one recognized Trade union, known as Bokaro Steel Workers Union. Apart from that there are 27 more trade unions registered in Bokaro Steel Plant. Among them four trade unions have been playing important role in making industrial relation congenial.

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in industrial relation of particular organizations. This study will examine the role of trade unions in India in the changing economic environment at a broad level with special reference to the function of plant level trade unions of Bokaro Steel Plant.

### **REVIEW OF LITERATURE:**

Ratnam (2006) in his study viewed the different aspects covered in industrial relations. He suggested for a new role of trade unions for the betterment of trade unionism in the country. He is of the view that in the changing profiles and characteristics of employees and paradigm shift in managing work the role of trade union has undergone a change.

Saini (2006) in his paper “ Declining labour power and challenges before Trade Unions: Some lesson from a case study of private sector Unionism highlighted the declining state of labour power in the private sector in the new economic environment and the challenges faced by the trade unions in the new era. The paper is based on a case study of Honda Moter Cycle and Scooters in India Limited in Gurgaon. It was found that most organizations are using a mix of hard and soft models in human resource management strategy as a device for managing industrial relations, some Key challenges faced by unionism in view of the working of new human resource strategies are also indentified which include need to look at private sector industrial relations realities differently from those in public sector. Tapping the potential of political affiliation of union and compelling the state to discharge its legel obligations are essential to ensure labour justice and to promote alliance between main workers union and contract workers union.

Ghosh (2008) In his paper entitled “Economic Reforms and trade unionism in India-A macro view” discussed the impacts of economic reforms on trade union. The paper based on primary and secondary sources of data, focuses on exploring the response of our trade unions to the changing industrial scenario. It has been concluded that economic reforms have posed serious challenges before the old unions by exposing their weakness and they are forced them to rethink their policies and programmes.

Sultana (2015) in his study of Trade Union in the new economic environment in India assessed the role of trade unions in economic environment in India. His aim was to examine the challenges posed by the new economic environment on the role of trade

unions. His study indicated that the new economic environment is hostile to trade unions. By the shifting the power away from labour and towards management, the new policy has made the position of trade unions vulnerable and posed serious challenges before them.

### **RESEARCH GAP:**

From the literature overview it becomes obvious that studies have been made on the role of trade unions in different units of public sector undertaking in India but there has been hardly any such studies on the changing role of trade unions in Bokaro Steel Plant, a unit of Steel Authority Of India Limited (SAIL) and thus there is research gap.

Although several studies have suggested that constructive role of trade unions are crucial for successful changed management, but the conceptual explanation and the factors that influence this relationship remain largely unexplored. To fill this gap, this study will examine the mediating role of unions in the relationship between workers and management, using Organizational level data from a single site case study of Bokaro Steel Plant.

The present study will fulfill the gap by examining the role being played by trade unions at plant level of Bokaro Steel plant in the changed economic scenario.

### **OBJECTIVE OF THE RESEARCH:**

**The present study will be made with following objectives:**

- I) To examine the roles of trade unions in India in changing economic environment at a broad level and specifically the functioning of trade union at plant level in Bokaro Steel Plant.
- II) To examine the ideologies, objectives and structures of trade unions in Bokaro Steel Plant in the changing economic environment.
- III) To examine the opinion of trade union leaders, workers and management on the different aspects of industrial relation.

**METHODOLOGY:**

In the present study both primary and secondary data will be used. Secondary data pertaining to collect bargaining wage rate, health and social security etc. will be taken from company manuals, annual reports, monthly news letter and other published and unpublished records of Bokaro Steel Plant and SAIL.

Primary data will be collected from the workers, members of the union operating at the plant level and managerial personnel through interview schedule.

For primary data three samples will be made one from trade unions leaders and other from workers and managerial personnel.

For the survey, an attempt will be made to adopt stratified random sampling method for that samples will be made from workers, managers and trade union leaders. Data will be collected from respondents through questionnaire. The sample size of managers and workers will be 25 and 120 respectively. The sample consisting of trade union leaders will be also be made its size will be 30.

A Likert type multi- dimensional scale will be used for the sake of uniformity in measuring all the variables and study.

All the variables will be measured by participants responses questions on Likert scale.

**Significance of the Study:**

Firstly the study will provide guidelines to Trade Unions Leaders, which will make them realize their weak points in dealing with employees affairs to the management so that quality of work life can be improved. Secondly the study will help the decision makers such as government to review the existing policy for efficient performance of trade union. Thirdly the study will provide secondary data for anyone who will interested to carry research on the impact of trade union on improving employees working conditions. And lastly this study will add more knowledge to the existing literatures on Trade Unions as well as equipping reseacherers with needed research skills.

**CONCLUSION:**

In conclusion, trade unions still tend to play an important role in protecting workers and helping them enforce their legal rights, particularly in cases when these rights may be

uncertain or under debate. Unions will also be able to support employees when they feel that the psychological contract between workers and managers is being breached, and can help workers to renegotiate this contract if necessary. Unfortunately, a post structuralist view of the trade unions indicates that the unions tend to be more responsive to their own social contract with the workers, than to the actual needs and demands of the workplace itself. This can lead to unions behaving in overly militant ways, particularly when they feel their own power and relevance is being threatened.

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