
Changing Pattern of Employee Relations in India- A Review of Relevant Academic Literature and Methodologies

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Abstract

Competitive pressures created by liberalization and globalization of Indian economy have a significant impact on the nature of Employee Relations in India (ER). But there are very few studies on the changing pattern of Employee Relations in India since independence. The aim of this paper is to review various researches relating to emerging trends, paradigms and methodologies of Employee Relations (ER) research in India in past two decades. The primary information source is a search of electronic databases. Most of the research papers on ERs in India are conceptual in nature and there is a lack of empirical research in this topic. The major conclusion is that the academic literature on ER in India is relatively theoretical and exploratory in nature and that the design and substance of the research studies are weak. With regard to themes, there are a number of foci in the literature with only scant attention paid to the central concerns in this field.

Keywords: *employee relations, industrial relations, human resources, labor laws*

Introduction

The subject of Industrial relations as a distinct academic discipline is primarily an Anglo-Saxon phenomenon (Elvander, 2002). Since then for two decades, labour market situations were referred as Industrial relations. However, gradually due to noticeable setbacks of the trade-union movements, labour relations are best described as "Human Resource Management" everywhere in businesses. Then in order to restore the old connection among IR actors (Kaufman 1993), the subject is increasingly being referred as **employment relations / employee relations (ER)** to include non-industrial employment relationships in addition to industrial

workers. Now, the scope of ER is not only confined to workers relationships with management, but expanded to other aspects of human resource management e.g. staffing, work organization workforce governance, and their development as well as reward systems. Also, due to widespread involvement of MNCs worldwide, the scope of the study of ER is not only confined to European countries. It

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has become essential to research on ER around the world for more productive engagement of employees.

Recent investigations in the area of ER emphasizes needs for cross national enquiries for development of further managerial practices. Several attempts have been made to study ERs in developing countries especially in India, yet there is need for more research in this area. Thus, the paper is designed to address some of issues arising in this part of the globe.

The paper is structured as follows:

In the first section, a brief literature review is done. Next, an attempt has been made to classify various researches on ERs in India into three broad categories. Also, key paradigms in this area focused in the literature are identified. In the next section, methodologies used in researches are examined. Finally, conclusions about the research in this field are drawn and directions for future research are provided.

Literature review

With ever increasing globalization of business, there have been significant changes in the pattern of ERs in India. In order to highlight all concerned issues, the author has done a literature review related to three major actors of ER. Since our objective is to understand the recent developments in the field of ERs, only those articles that trace the recent developments in ERs are selected and articles prior to 1990 are excluded. A brief literature review of 30 articles related to this field thus selected has been done by the author.

The most important work on ERs in India is done by Budhwar, (2001). In his article, Budhwar tried to examine the perspectives of three actors (management, union and the state). He made a comparative analysis of Indian industrial scene prior to independence and post liberalization period. Based on his analysis, he concluded that ER scenario in India at present was characterized by decline of union, government's pro labor stance and managerial adaption of HR policies in the management. His study was based on an empirical data collection from 200 employees across six firms.

Authors researching on the nature of Industrial Relations in India, suggested that in the era of current globalization, Industrial Relations in India have undergone a major transformational/ radical change (Kuruville and Erikson, 1996; Kuruville, 2001). However, some other authors believe that changes in the nature of industrial relations in India is mainly incremental or continuous rather than discontinuous (Bhattacharjee, 2001). All these papers are conceptual in nature and based on authors own views on changes on ER and these lack empirical evidences.

Donaldson's case study in examining the ethical side of ER as opposed to the prudential or legal issues relating to ER (Donaldson, 2001) identified a number of ethical factors responsible for smooth functioning of ER in India. Ramaswamy and Schiphorst (2000) in their case study, discussed influences of the introduction of schemes on employee empowerment as a strategic option by allowing employees' decision making on quality, safety, productivity and material use.

Kuruville (2002) in his research on four Asian countries namely- China, India, Malaysia and Korea, argued that the interplay among three different logics viz. of competition, industrial peace, and employees' income protection—determines the ER patterns in any given nation. The strengths of the logic itself are influenced by five often related factors: economic development strategy, globalization intensity, union strength, labor market features, and government responsiveness to workers.

Dhar (2006) identified various factors influencing the employees' perception of trade union formation in the Indian IT industry such as : (a) feeling of a blue collar, (b) collective to individual bargaining, (c) changing role of HR and (d) other reasons. Greene, (2001) using ethnography in a rayon cotton mill, explored changes in the ER in India and discovered how ER actors use impression management to create and maintain their identities at work. Based on empirical analysis and using welds test, Walcott (2008) concluded that Indian workers have low cost of cooperation but there are no recognized labor leaders to negotiate their demands.

There are a number of articles on globalization and its impact on ERs in India. Lansbury et al, (2006) studied the significance of hierarchical Indian caste system in the management of ERs using a case study of Hyundai motors. It highlighted the role of the caste composition in Indian society reflecting in the firm's employment structure. Hill (2009) studied the impact of globalization on three key actors in ERs in India. Emerging trends in ERs in India are also studied by Shyamsunder (2010). The paper identified the important changes in employment relations in the post-reform period.

One other aspect of looking at ER in India is a comparison of old narratives in ERs in India with new perspectives which is attempted by Bhattacharjee and Ackers, (2010). It is basically a review paper based on the analysis of current literature and recent developments.

The article on the effect of technology on ERs (Krishnan, 2010) is an overview narrating how change in the nature of jobs through technology orientation from manual dexterity and physical strength to those of trouble shooting and process handling has brought in the different incentivization methods through group based performance and now in ER, company specific bargaining is becoming more common.

A case study by Sen (2011) on ER problems in Maruti Manesar plant analyses reasons for eruption of conflicts and consequences thereafter. Sen's another case study on post-merger Air India (2012) concluded that nearly all traditional corporates in India have not been successful in addressing ER especially in the period of global recession even though they attained excellence in several areas viz. excellent technical capabilities and reached great heights in efficiency. This paper using secondary materials of case studies, shows how industrial law, culture and practices in ER are giving rise to similarities of eruption of employees' conflicts and management responses in India.

The Article by Pankajakshan, conceptual in nature (2012) shared his management ideas on ER. Biswas's empirical study (2012) based on data from 357 participants from Indian organizations, identified

antecedents as one of the major factors in employee relations in India. Another research on ER by Mathew and Jones (2012) developed a case study on a Japanese-owned multinational automobile plant on the basis of 30 personal interviews and data from internet media sources. Interviewer narrated that employees first protested in non-violent (satyagraha) ways and mostly these fail to bring in accord. After being unsuccessful in nonviolent method, employees resorted to more violent methods. Reasons for these development were also explored in the article.

Among regional case studies in ER, Giri and Choudhary (2013) analyzed the employee empowerment practices and measured the degree of employee empowerment in Rourkela Steel Plant (RSP), a unit of SAIL to improve ER effectiveness. The study by Mudgal and Bose (2013) on the two leather manufacturing units of Kolkata using 400 workforce as the sample comprising both supervisory and workmen, analyses the employee relations climate existing at various levels in this sector. Findings of the paper are that ER climate is influenced by working conditions, level of supervision, communication, worker participation, inter-personal relationship etc. The paper suggested that that by improving these factors, conducive climate for ER can be achieved. Sahoo and Sundaray, (2013) found that organizations need to adopt suitable ER strategies to develop sound employee relations which would enrich the quality of work life of the employees. The study on employee relations in the power industries in Orissa focused on the most common issues and suggested ways to overcome such obstacles in order to improve the quality of work life of employees. The study was empirical in nature and based on opinion surveys and group interviews. Recently, findings of the study on the future of Trade unions in India by Singh and Kulkarni (2013) were based on a survey conducted on trade union activists in the western part of India. The survey tried to understand the perception of trade union activists about the situation of trade unions and their future.

Methodology of the study:

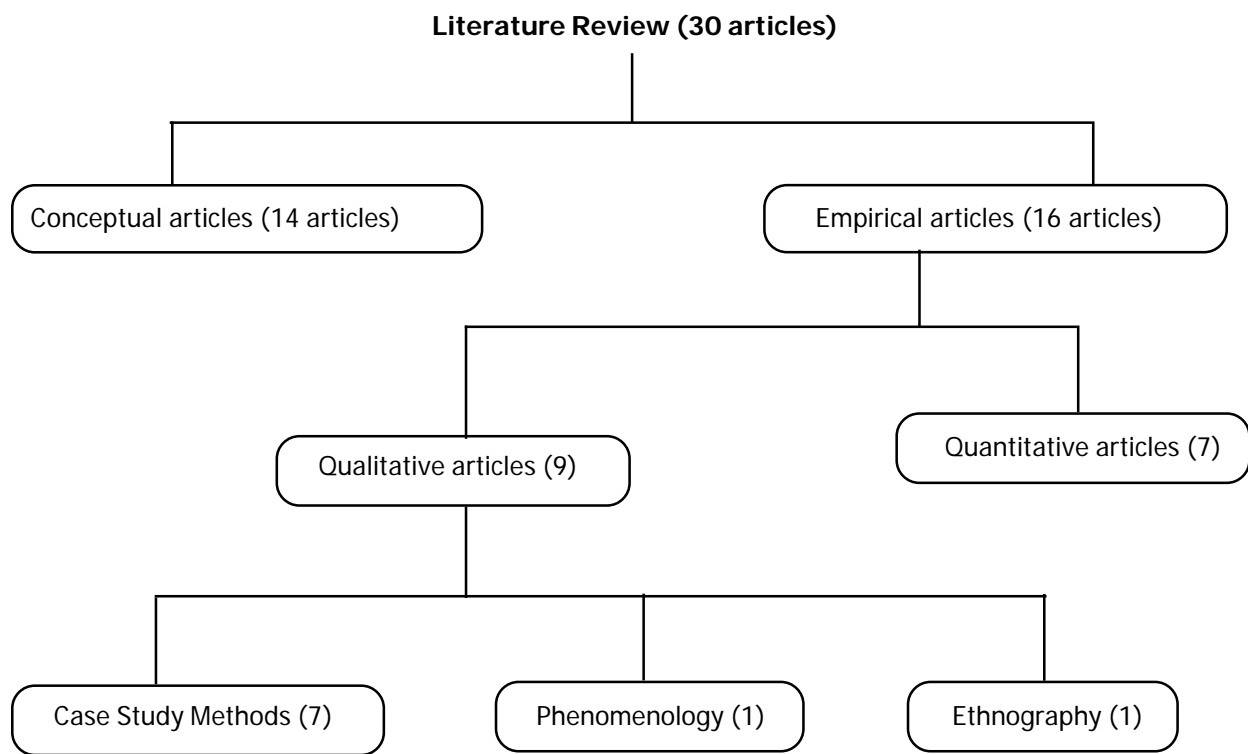
This literature review on selected articles collected through electronic databases (viz. Business Source Premier/Ebscohost, Google Scholar, Social Science

Citation Index, and JSTOR) using a relevant combination of following “key search” terms (e.g. industrial relations, employee relations, globalization etc.). Of the total search results, 30 articles published between 1990 and 2013 , met the criteria of which 16 empirical studies (seven quantitative and nine qualitative) and fourteen conceptual /theoretical

articles are taken up for analysis in this literature survey .

The analysis of the empirical studies followed additional steps. A simple flow diagram is used to score the articles across a number of characteristics with the purpose of identifying patterns.

Figure 1 : Classification of the literature on changing ERs in India



Reviewed articles could be classified into following categories as describe in figure - 1.

1. Articles classified as category ones which studied changes in the nature of workforce ad trade unions in India due to globalisation and liberalization of economic policies (6).
2. The category two are empirical studies on the state of ERs in the particular industry, state or organization (9).
3. Category three are those the articles that studies the pattern of changes in ERs in India distinct from other countries (15).

Trends in Research

It was found that out of the 30 articles selected, 20% studied the recent changes in trade unions and labor in India (category three). Remaining 30% of the articles were related to specific organization or industry or state (category two).

Paradigms -Out of the 30 research papers, 54% followed a logical empirical approach of data collection and analysis. Rest 46% of the papers were conceptual in nature.

Empirical vs non empirical- overall 54% of the papers followed the empirical methodology. It includes both qualitative as well as quantitative researches. Of these, 44% of the articles were quantitative in nature while rest 56% used qualitative methods. **Qualitative vs quantitative**- of the 54% research.

Qualitative vs quantitative- of the 54% research articles that were empirical in nature, 23% followed quantitative method and rest 31% was qualitative.

Research design- 23% of the articles were based on case studies, 6% were ethnography and phenomenology, 23% used questionnaire methods and survey research for collecting primary information while rest 48% of the articles relied on archival data and other sources.

Sources of data- out of the 30 papers selected, 34% of the articles used primary sources for data collection while 62% used secondary sources of information and rest 4% used mixed sources for data collection.

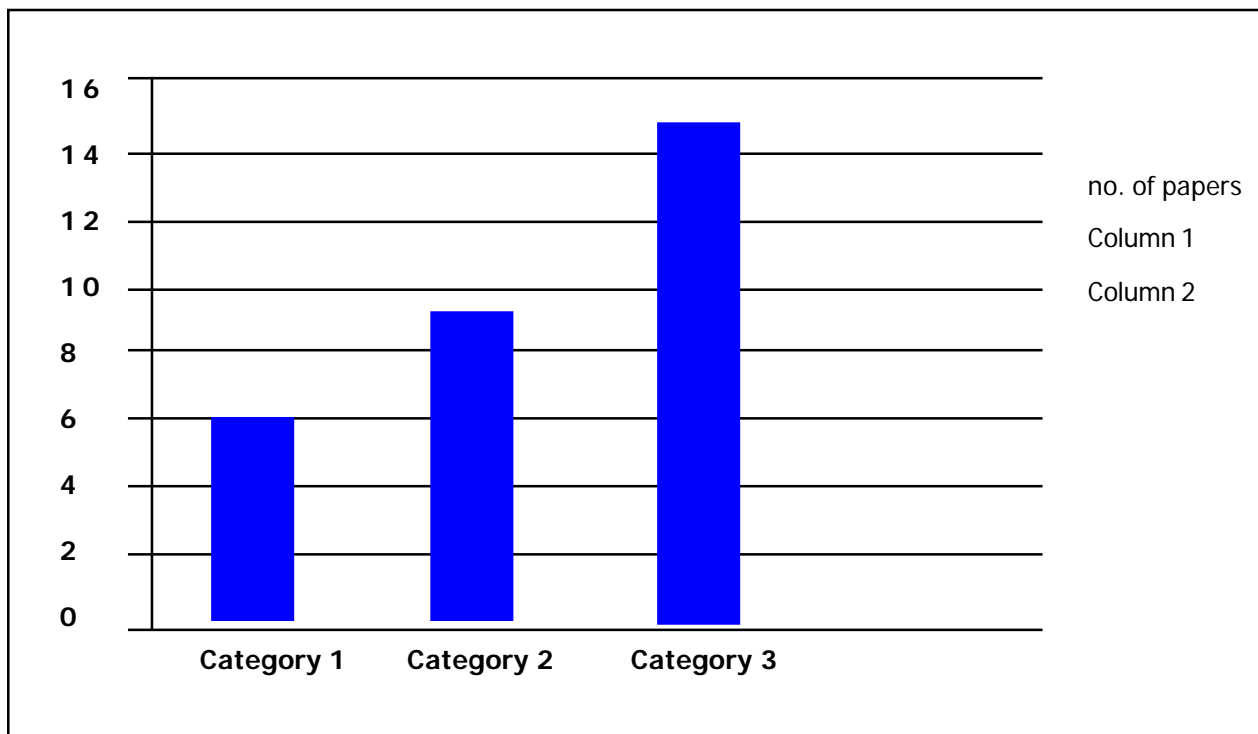


Figure 2 : Category wise distribution of research papers

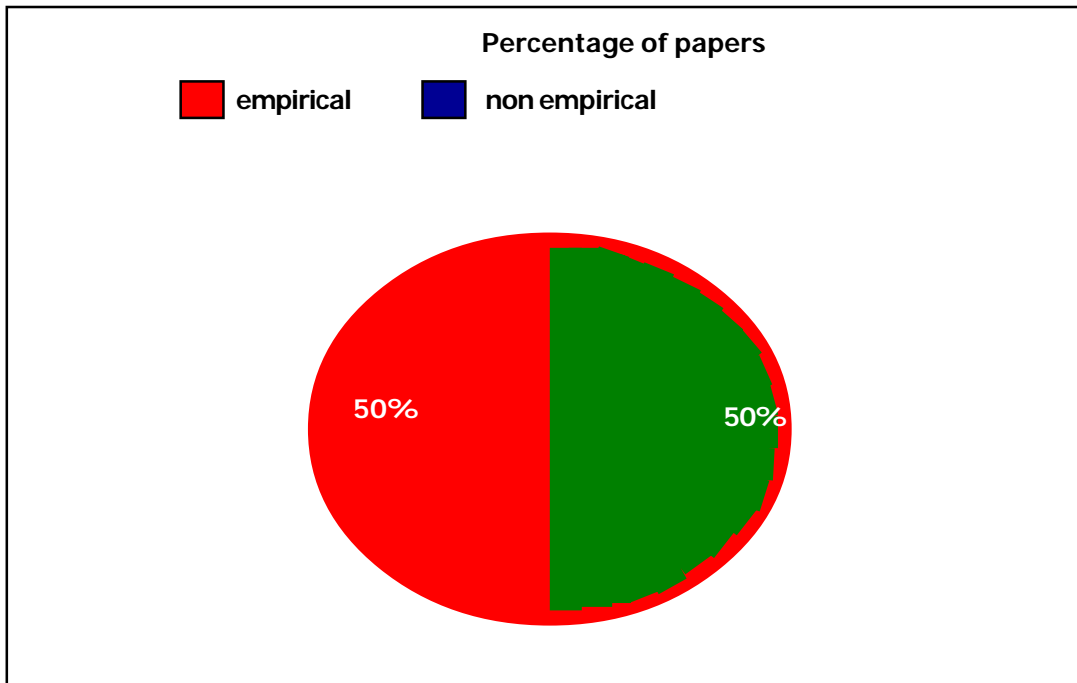


Figure3. Percentage of empirical verses non empirical papers

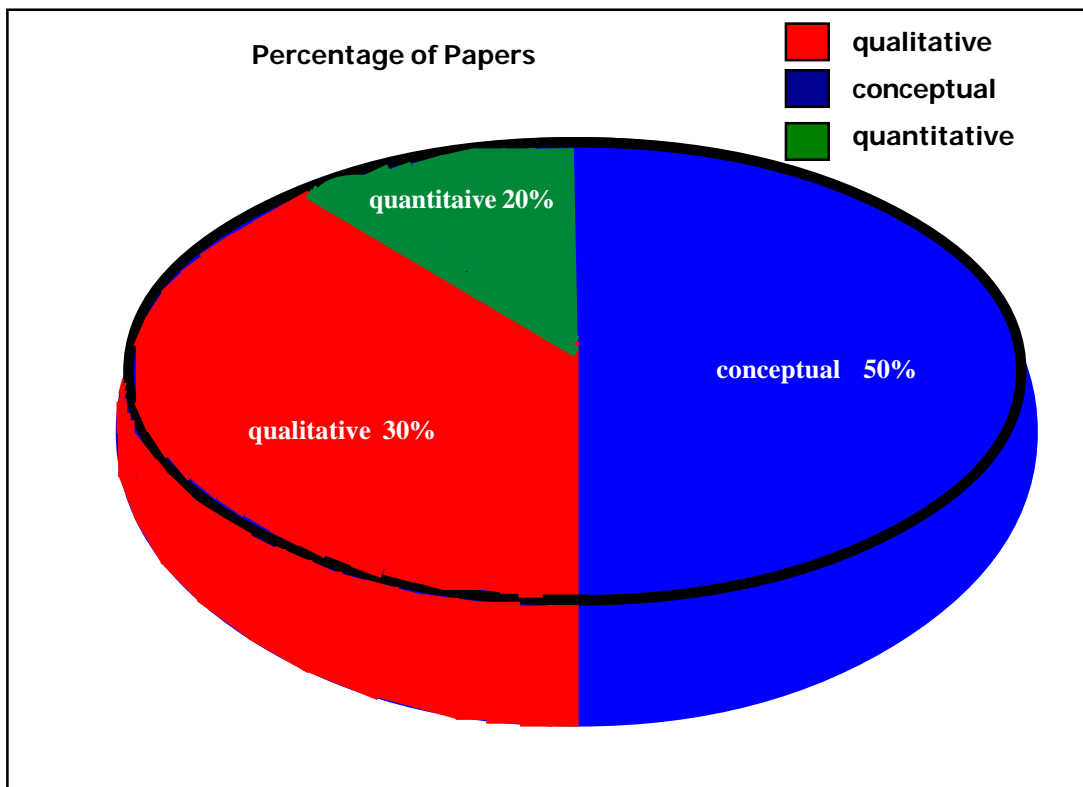


Figure4. Distribution of papers in qualitative, quantitative and conceptual category

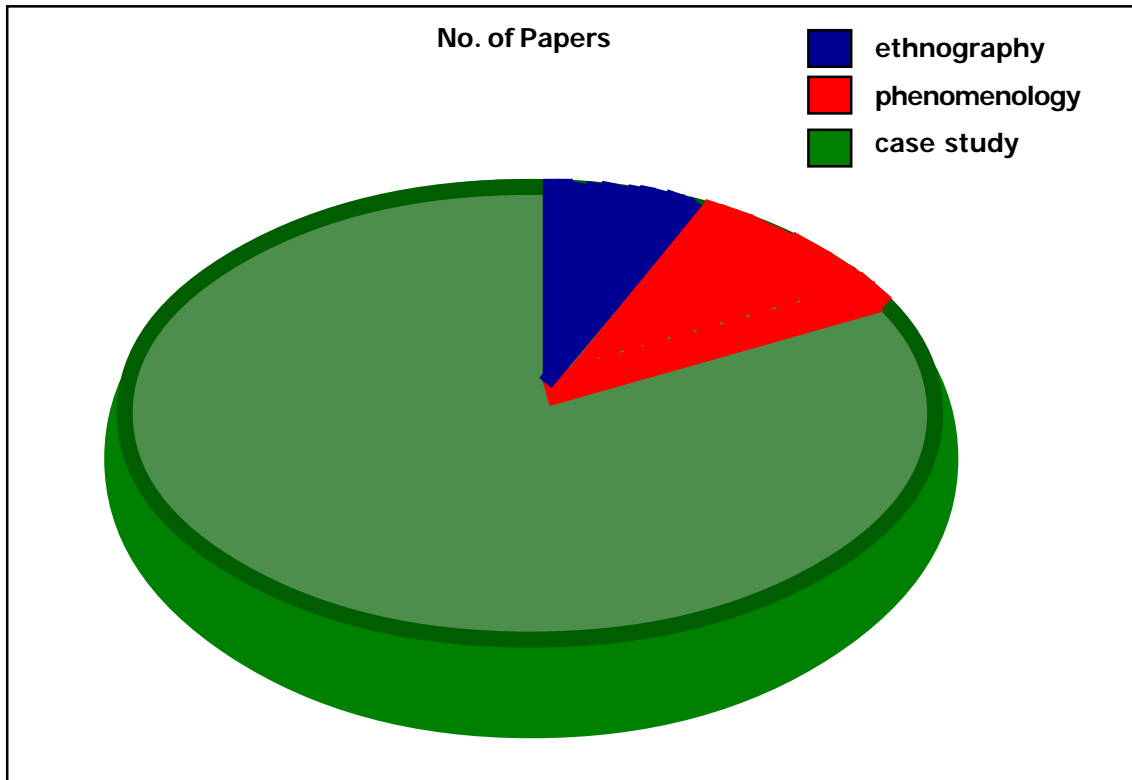


Figure5. Qualitative research in ERs in India

Table2. Summary of results

Elements of Research Design	Description	number
All papers	ER in India	30
Research Paradigm	Positivist Interpretivist Conceptual/ critical	7 6 17
Empirical vs Non Empirical	Empirical Non empirical	16 14
Quantitative vs Qualitative	Quantitative qualitative	7 9
Sources of Data	Primary Secondary Mixed	9 18 3
Research	Survey research Case study others	8 8 14

Discussion

Results indicate that there is a scarcity of empirical research in this field. As evident in selected articles little more than 50% used some or the other empirical methodology in ER study in India. Most of the research papers on ER in India are conceptual in nature. They are either a review of existing labor laws, government policies or management styles. Most of the empirical papers are based on specific case studies. Only one paper on ethnography and one on phenomenology were found. Empirical papers using quantitative data analysis techniques are very simple using descriptive statistics or regression analysis. Rigorous methods of data analysis like t test, ANOVAs, AMOS etc. are not used. This limits the generalizability of the research and without any valid reasoning into the phenomenon.

Directions for future research

Further research in the field of ER in India should focus on applying testable models and testing hypothesis using more primary data collected from field. There is a lack of empirical research particularly quantitative research in ER in India. Innovations in using primary data collected from multiple organizations and applying new methods of hypothesis testing holds promise of unfolding something new in the field of ER in India. Past twenty years have also seen new paradigms getting evolved in this field. Recent changes in the country's economic scenario, globalization and liberalization have led to the changes in the pattern of ER in India which needs to be explored and questioned afresh.

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