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A Study on Industrial Relations at Ferrari Shoes (India) Private Limited, Coimbatore

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Abstract - The project entitled “A Study on Industrial Relations at Ferrari Shoes (India) Pvt.,Ltd, Coimbatore.” is done to know about the Industrial Relations in the company. Industrial Relations is “A relationship between management and employees or among employees and their organization that characterize and grow out of employment”. M/s Ferrari Shoes (India) Pvt.Ltd. is the largest producer of foot wears in Tamilnadu and the sister concern of very renowned veekesy group of companies. The company manufacturing the “VKC LITE” brand EVA foot wears. The company was incorporated on 01.01.2005 under the Companies Act 1956 and commenced its production on 18th may 2006. The main objective of this study is to find out the Industrial Relations related with work conditions, different welfare schemes, and grievances handling procedure. The Research was done by collecting primary and secondary data. The primary data was collected by means of administering a questionnaire to individuals. The secondary data was collected from various sources such as annual reports of the company, journals and website. The sample size is 125 respondents out of 500 respondents. Descriptive methodology has been employed for this study. Sampling was selected by the method of Convenience Sampling. Analysis part was done by simple analysis technique (percentage analysis) and statistical analysis techniques such as chi square, correlation coefficient and ANOVA. The scope of the study consists of the importance of the Industrial Relations is to find out the relationship between employees and employers. The study provides some findings that were interrupted from the analysis of the collected data. The suggestion and recommendations were given by the researcher which may help the company to improve Industrial Relations. The study concluded that majority of employees are satisfied with their relationship in the organization.

Index Terms: Industrial Relations, welfare schemes, grievances handling

INTRODUCTION

The term ‘Industrial Relations’ comprises of two terms: ‘Industry’ and ‘Relations’. “Industry” refers to “any productive activity in which an individual (or a group of individuals) is (are) engaged”. By “relations” we mean “the relationships that exist within the industry between the employer and his workmen.” The term industrial relations explain the relationship between employees and management which stem directly or indirectly from union-employer relationship. The term industrial relation has a broad as well as a narrow outlook. Originally, industrial relation was broadly defined to include the relationships and interactions between employers and employees. From this perspective, industrial relations cover all aspects of the employment relationship, including human resource management, employee relations, and union-management (or labor) relations. Now its meaning has become more specific and restricted. Accordingly, industrial relations pertains to the study and practice of collective bargaining, trade unionism, and labor-management relations, while human resource management is a separate, largely distinct field that deals with nonunion employment relationships and the personnel practices and policies of employers.

About Industrial Relations

Industrial Relations are a dynamic socio-economic process. It a “designation of a whole field of relationship that exists because of the necessary collaboration of men and women in the employment process of industry”. It is not the cause but an effect of social, political and economic forces.

Economists have traditionally identified four factors of production, viz., land labor, capital and organization. The role of labor as a factor of production is becoming increasingly important in the modern society. Capital and natural resource endowments, no doubt, are vital elements in the production process but it is labor which contributes most to the wealth of a company. “Human beings are the active agents who accumulate capital, exploit natural resources, build social, economic and political organizations and carry forward national development”. Growing industrialization and the rapid expansion of the services sector resulted in the galloping demand for skilled
labor after 50s. The emergence of the concept of human relations, human resource management (HRM) and human resource development (HRD) contributed to the growing importance of labor. The issue of INDUSTRIAL RELATIONS arose from the issue of divorce of the workers from the ownership and management of the production process. This has brought about a sense of deprivation and loss of independence on the part of workers and is probably the primary cause of industrial disputes. Industrial work has drastically reduced the independence of workers and made them mere cogs in the machine – a kind of ‘second class citizens’. The disciplinary rules for work have become quite harsh and arbitrary. The heterogeneous nature of workers, illiteracy and politicization of trade unions made it impossible for the workers to bargain for their rights united. All these factors have led to growing unrest among the rank of workers.

Factories Acts And Industrial Relations

Factories Act of 1946 is a culmination of a series of earlier acts for Industrial Relations. The act makes extensive for healthy relations in various areas in the workplace.

EHS (Environment, Health & Safety) Regulation Acts:

<table>
<thead>
<tr>
<th>year</th>
<th>EHS (Environment, Health &amp; Safety) Regulation Acts</th>
</tr>
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<tbody>
<tr>
<td>1989/2000</td>
<td>Manufacture, storage and import of hazardous chemical rules, including amendments rules.</td>
</tr>
<tr>
<td>1948/1987</td>
<td>The factories Act (As amended fill 1987)</td>
</tr>
<tr>
<td>1952</td>
<td>Punjab state factory rules</td>
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<tr>
<td>1956/2003</td>
<td>Indian Electricity rules</td>
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<tr>
<td>1934/1997</td>
<td>The petroleum Act (as amendment till 1997).</td>
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<tr>
<td>2001</td>
<td>Energy conservation Act, 2001</td>
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<tr>
<td>1970</td>
<td>The contract labor regulation &amp; control Act, 1979 and rules 1971</td>
</tr>
<tr>
<td>1952</td>
<td>The Punjab welfare officer recruitment &amp; condition of services rules.</td>
</tr>
</tbody>
</table>

**Principles of Good Industrial Relations**
- Fair redressed of employee grievances by the management.
- Providing satisfactory working condition and payment of fair wages.
- Introducing a suitable system of employee’s education and training.
- Developing proper communication system between management and employees.
- To develop employees to adapt themselves for technological, social and economic changes.

**Causes of Poor Industrial Relations**
- Unhealthy working conditions
- Indiscipline
- Inadequate fixation of wage
- Lack of human relations skill on the part of supervisors and other managers.
- In appropriate introduction of automation without providing the right climate.
- Inadequate welfare facilities.
- Unfair labor practices like victimization and undue dismissal.

**OBJECTIVES OF THE STUDY**
- To find the relationship between employees and employers in the Ferrari Shoes (India) Private Limited.
- To know the work conditions in the Ferrari Shoes (India) Private Limited.
- To find the different welfare schemes provided by the Ferrari Shoes (India) Private Limited.
- To find the grievance handling procedure in the Ferrari Shoes (India) Private Limited.
- To make suggestions for improvement of industrial relations in Ferrari Shoes (India) Private Limited.

**SCOPE OF THE STUDY**
- Industrial relation is an important output that employees work for organization.
- This report is useful to the management of the company to know the relationship among employee between employees and their superiors or managers.
- The study is useful to providing satisfactory working condition to their employees.
- This report is useful to know about the satisfaction level of grievance handling.
- It is useful to safeguarding the interest of the workers.
- It is useful to maintain industrial peace.

**LIMITATIONS OF THE STUDY**
- Respondents had marked the answer in questionnaires which may be socially incorrect irrespective of their actual feelings.
- Most of the respondents are speaking only Hindi so I have more difficult to interact them.
- Some of the replies of the respondents may be biased.
- The collection of sample is minimum numbers of compared with the population of the company. Thus it may not bring out the exact analysis.

**REVIEW OF LITERATURE**

“Industrial Relations” by “john Howe” in Article of “The Promotion of Collective Bargaining and Workplace Cooperation” on year of “2012”Pg: No.25 In this article, The Author said that “Most collective bargaining regimes operate by establishing a right to bargain collectively at enterprise or industry level. In theory, the law operates to facilitate collective bargaining by providing that employers must not refuse to bargain collectively with employee representatives where a sufficient number of employees wish that to happen, even where individual employees are in a weak bargaining position relative to their employers.”
“Industrial Relations” by “Grant Lo Patriello” in Article of “Oppression, Suppression, and Injustice: A Critical Evaluation of the Grievance Procedure in the Federal Public Service” on year of “2012”Pg: No.35 In this article, The author argues that although it is desirous to administer the procedure with a great deal flexibility and collegiality, because of the government’s dual role — as management and administrative decision-maker — it is impossible to do so.

“Industrial Relations” by “Michael Zanko” in Article of “Occupational Health and Safety Management in Organizations” on year of “2012” Pg:No.17 In this article, The Author said that “In examining the research literature on occupational health and safety (OHS), this paper argues that the growth in the number of specialists in OHS has resulted in an emphasis on policy and practice away from more scholastic concerns previously addressed by academics in the disciplines of psychology and sociology.

“Industrial Relations” by “Winston Gereluk” in Article of “Grievance Arbitration: Not the Venue for Health and Safety Appeals” on year of “2001” Pg:No.48In this article, The Author said that “A comment on Mark Harcourt and Sondra Harcourt, "When Can an Employee Refuse Unsafe Work and Expect to Be Protected from Discipline?”

“Industrial Relations” by “Natasha Loncar” in Article of “Pay Satisfaction, Job Satisfaction and Turnover Intent” on year of “2010” Pg: No. 65 In this article, The Author said that “The purpose of this paper was to examine the relationships among pay satisfaction, job satisfaction, and turnover. While there is a fairly large body of literature on pay satisfaction/dissatisfaction-turnover relationship, there are reasons to expect different outcomes in occupations.”

RESEARCH METHODOLOGY
Research Design
In this study, descriptive research design is used. A study which wants to portray the characteristics of a group or individual or situation is known as descriptive study. Descriptive research or statistical research provides data about the population or universe being studied. It describes the “who, when, where and how” of a situation and not caused it.

The Survey technique mainly involves the collection of primary data about subjects, usually by selecting a representative sample of the population or universe under study, through the use of a questionnaire.

Sampling
(i) Sampling population:
There are totally 500 employees working in the organization.

(ii) Sample Size:
Out of the total strength the sample taken amongst workers (i.e) 125 respondents.
No. of respondents =Total population *25%
=500*25%
=125

(iii) Sampling Area:
The research was conducted at Ferrari Shoes(India) Pvt Ltd.,Coimbatore.

(iv) Sampling Technique:
In this study Convenience Sampling is used under Non-Probability Sampling method.

Convenience Sampling is a method in which samples are drawn at my convenience. It allows a large number of respondents to be interviewed in a relatively short time.
Data Collection Instrument

In this research data is collected through questionnaire method. In this method a questionnaire is sent to the persons concerned with a request to answer the questions and return the questionnaire. In this study closed format question is used. It usually take of a multiple-choice question. This is easy for the respondent.

Tools For Analysis

- Percentage Analysis
- Chi-Square Analysis
- Correlation co-efficient

Overall Satisfaction Level of relationship between employees and their employer

![Satisfaction Level Chart]

FINDINGS

- From the study it was found that, Majority of the respondents are satisfied that the respect get from supervisors, because they done their work in proper manner so they also get respect from supervisors.
- From the study it was found that, majority 70% of the respondents are satisfied that their encouragement activities and the social security measures.
- According to the study majority of the employees are obey all the rules and regulations of the organization, so the employees also fairly treated by the management.
- According to the study 30% of the respondents are moderately agree and 5% of the respondents were dissatisfied regarding to express any of their problems to their superiors. Because most of the employees are male so they express their problems to male superiors but minority of female respondents are not like as male.
- The study found that most of the respondents are agree that the job is secure because the organization providing adequate facilities to them.
- The employees are make a team and done their work so they satisfied with their amount of work but some of the employees are not coordinating with their team.
- Majority of the respondents are agreeing that their superior gives positive feedback about their performance.25% of the respondents were moderately agree and Very small level of the employees only dissatisfied it shows that the superior gives negative feedback.
- It is evident from the study majority of the respondents are moderately agree that their rewards for success are greater than the penalties for failure. Because the organization rarely providing rewards to the employees.
- It is evident from the study 29% of the respondents are moderately agree that their safety measures. Because they are not aware about safety measures.
• According to the study, majority of the respondents are agreeing that their superiors listen when their grievances are presented and immediately redressed the grievances. Very small level of employees only disagree it shows that their superiors not listened.
• Majority 70% of the respondents are satisfied with the complete information should be collected from all the parties related to grievances nearly 30% of them are moderately agree because the translator may show partiality.

SUGGESTIONS

• Some of the employees did not free to express their problems to their superiors, the management to give some counseling at every month.
• Continuous feedback is a right method to identifying employee’s performance. And the positive feedback is important for maintaining good relationship between employee and employer. A manager must give positive and continuous feedback to employees. It is suggested that the organization could concentrate on feedback to employees continuously.
• To give some awareness about industrial accidents, some of them have not aware about their safety measures.
• Based upon the research there should be need some recreation facilities.
• The organization rarely providing rewards to the employees. The employees are moderately agree that their rewards for success. So the management try to provide more rewards for their encouragement.

CONCLUSION

Industry today is neither viewed as a venture of employees above nor is profit considered as its sole objective. Both management and employees contribute in their own way towards it success. The study conducted at Ferrari Shoes (India) Pvt., Ltd deal with industrial relations of the organization. Ferrari Shoes (India) Pvt Ltd., is growing at a very good place. There are different kind of welfare schemes like safety measures, medical benefits, ESI, PF,PS are provided by the company to the employees to maintain the industrial relation better one and also they providing good work conditions and effective grievance handling procedure to them. The study concluded that the Ferrari Shoes (India) Pvt., Ltd satisfied their employees in most cases. So the industrial relations of Ferrari Shoes (India) Pvt., Ltd is good.

“Industrial relation is determining the growth of the organization.”

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