

Grievance procedure



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Grievance procedure is a formal communication between an employee and the management designed for the settlement⁴ of a grievance. The grievance procedures differ from organization to organization.

1. Open door policy

2. Step-ladder policy
Open door policy: Under this policy, the aggrieved employee is free to meet the top executives of the organization and get his grievances redressed. Such a policy works well only in small organizations. However, in bigger organizations, top management executives are usually busy with other concerned matters of the company. Moreover, it is believed that open door policy is suitable for executives; operational employees may feel shy to go to top management.

Step ladder policy: Under this policy, the aggrieved employee has to follow a step by step procedure for getting his grievance redressed. In this procedure, whenever an employee is confronted with a grievance, he presents his problem to his immediate supervisor. If the employee is not satisfied with superior's decision, then he discusses his grievance with the departmental head. The departmental head discusses the problem with joint grievance committees to find a solution.

However, if the committee also fails to redress the grievance, then it may be referred to chief executive. If the chief executive also fails to redress the grievance, then such a grievance is referred to voluntary arbitration where the award of arbitrator is binding on both the parties.

The 15th session of Indian Labor Conference held in 1957 emphasized the need of an established grievance procedure for the country which would be

acceptable to unions as well as to management. In the 16th session of Indian Labor Conference, a model for grievance procedure was drawn up. This model helps in creation of grievance machinery. According to it, workers' representatives are to be elected for a department or their union is to nominate them. Management has to specify the persons in each department who are to be approached first and the departmental heads who are supposed to be approached in the second step.

The Model Grievance Procedure specifies the details of all the steps that are to be followed while redressing grievances. These steps are:

Step 1: In the first step the grievance is to be submitted to departmental representative, who is a representative of management. He has to give his answer within 48 hours.

Step 2: If the departmental representative fails to provide a solution, the aggrieved employee can take his grievance to head of the department, who has to give his decision within 3 days.

Step 3: If the aggrieved employee is not satisfied with the decision of departmental head, he can take the grievance to Grievance Committee. The Grievance Committee makes its recommendations to the manager within 7 days in the form of a report. The final decision of the management on the report of Grievance Committee must be communicated to the aggrieved employee within three days of the receipt of report. An appeal for revision of final decision can be made by the worker if he is not satisfied with it. The management must communicate its decision to the worker within 7 days.

Step 4: If the grievance still remains unsettled, the case may be referred to voluntary arbitration.

Collective Bargaining Process Collective bargaining generally includes negotiations between the two parties (employees' representatives and employer's representatives). Collective bargaining consists of negotiations between an employer and a group of employees that determine the conditions of employment. Often employees are represented in the bargaining by a union or other labor organization. The result of collective bargaining procedure is called the collective bargaining agreement (CBA). Collective agreements may be in the form of procedural agreements or substantive agreements.

Procedural agreements deal with the relationship between workers and management and the procedures to be adopted for resolving individual or group disputes. This will normally include procedures in respect of individual grievances, disputes and discipline. Frequently, procedural agreements are put into the company rule book which provides information on the overall terms and conditions of employment and codes of behavior. A substantive agreement deals with specific issues, such as basic pay, overtime premiums, bonus arrangements, holiday entitlements, hours of work, etc.

In many companies, agreements have a fixed time scale and a collective bargaining process will review the procedural agreement when negotiations take place on pay and conditions of employment.

1. The collective bargaining process comprises of five core steps: Prepare: This phase involves composition of a negotiation team. The negotiation team should consist of representatives of both the parties with adequate

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knowledge and skills for negotiation. In this phase both the employer's representatives and the union examine their own situation in order to develop the issues that they believe will be most important. The first thing to be done is to determine whether there is actually any reason to negotiate at all. A correct understanding of the main issues to be covered and intimate knowledge of operations, working conditions, production norms and other relevant conditions is required.

2. Discuss: Here, the parties decide the ground rules that will guide the negotiations. A process well begun is half done and this is no less true in case of collective bargaining. An environment of mutual trust and understanding is also created so that the collective bargaining agreement would be reached

3. Propose: This phase involves the initial opening statements and the possible options that exist to resolve them. In a word, this phase could be described as 'brainstorming'. The exchange of messages takes place and opinion of both the parties is sought.

4. Bargain: negotiations are easy if a problem solving attitude is adopted. This stage comprises the time when 'what ifs' and 'supposals' are set forth and the drafting of agreements take place

5. Settlement: Once the parties are through with the bargaining process, a consensual agreement is reached upon wherein both the parties agree to a common decision regarding the problem or the issue. This stage is described as consisting of effective joint implementation of the agreement through shared visions, strategic planning and negotiated change