

COLLECTIVE BARGAINING



History of Collective Bargaining

- Term was used in the middle of 1891. ([Beatrice Webb](#))
- 18 century.
- As a basic human right.
- Is not simply an instrument .

Collective Bargaining(CB)

- Process of negotiations between employer & employee.
- Commonly presented by representatives.
- Wage scales, working hours, training, health & safety, overtime, grievance mechanisms, & right to participate

- Functions as a labour contract
- Result of the negotiation.



Functions of Collective Bargaining

- Acts as a technique of long –run social change
- Peace treaty.
- Defining the rights & duties.
- Rules of workplace.
- Compensation.
- Long term social change.

Common Items under CB

- Wages & salaries.
- Unjust discipline.
- A grievance procedure.
- Policies & remuneration.
- Rate.
- Seniority Clauses.

- Health & safety conditions.
- Harassment policy & procedures.
- Allowances (weekend shifts, additional responsibility).
- Transfer & promotion policy.
- Lunch & rest periods.
- Vacation, including number of weeks and rate of vacation pay

- Tools, licenses, and clothing
- Benefits package that could include partial or total payment of things such as premiums for health, life, and disability insurance; and pension and dental plans

Structure of Collective Bargaining

- Bargaining Level:
National, District, Company, Plant, Sub-plant
- Bargaining Unit: Group of employees covered by particular set off bargaining.
- Bargaining scope : Range of subjects to be covered in particular negotiation.
- Bargaining form: Written or formal, unwritten & Informal

Types of Bargaining

Conjunctive bargaining:

- Economic issues like wages, salaries & bonus are discussed.
- More competitive.
- Also known as distributive or negative bargaining.
- Win loose quality.

Integrative Bargaining:

- Both the parties may gain or at least neither party losses.
- Win-win quality
- Positive joint effort.
- Also known as cooperative bargaining.

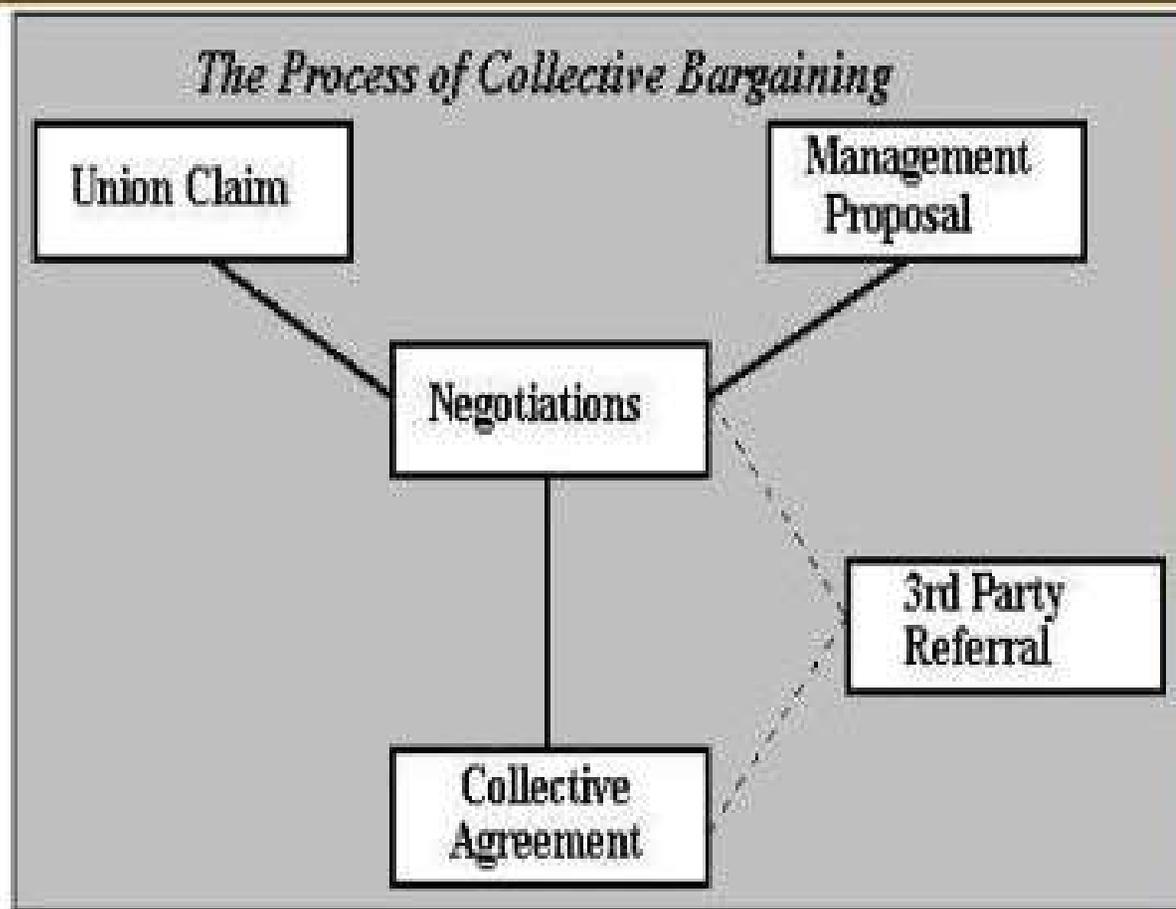
Attitudinal bargaining:

- Shaping & reshaping attitude (trust, distrust, friendliness, hostility).
- To maintain smooth & harmonious industrial relations.
- Trust & cooperation.

Intra-organizational bargaining

- Resolving internal conflicts.
- Achieve consensus.
- Eg: Union differences, workers may feel they are neglected , women's interest.

Process of CB



Process(cont..)

- Prepare
 - Discuss
 - Propose
 - Bargain
 - Settlement
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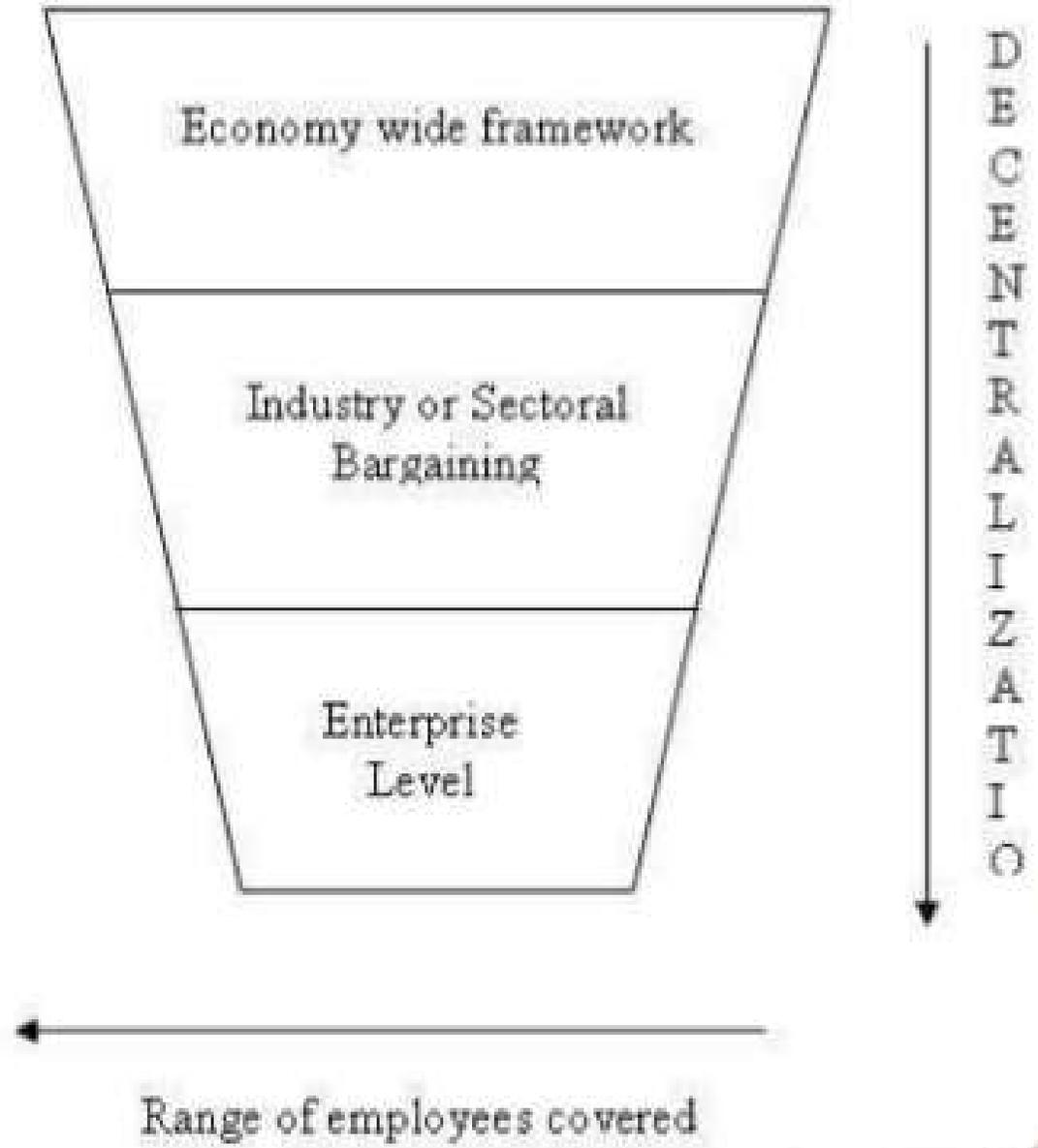
Why negotiations fail?

- Unwillingness
- Changing position
- Delaying tactics
- Withdrawal of concessions
- Unilateral actions
- Refusal

Essential elements for successful CB

- Union participation.
- Give & take.
- Unfair practices.
- Regular interaction.
- Intelligent understanding.
- Effective leadership & maturity.

Levels of collective bargaining



Economy-wide (national)

- **Bargaining** is a bipartite or tripartite form of negotiation between union confederations, central employer associations and government agencies.
- It aims at providing a floor for lower-level bargaining on the terms of employment, often taking into account macroeconomic goals.

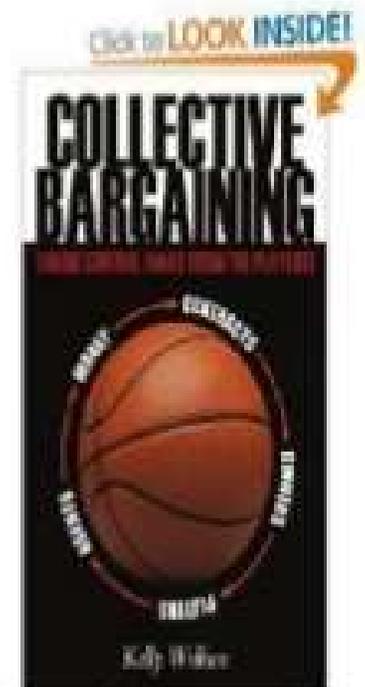


(b) *Sectoral bargaining:*

- It aims at the standardization of the terms of employment in one industry, includes a range of bargaining patterns.
- Bargaining may be either broadly or narrowly defined in terms of the industrial activities covered and may be either split up according to territorial subunits or conducted nationally.

- (c) *Enterprise Level:*

- It involves the company and/or establishment.
- It emphasizes the point that bargaining levels need not be mutually exclusive.



Importance to society

Collective bargaining leads to industrial peace in the country.

It results in establishment of a harmonious industrial climate which supports, which helps the pace of a nation's efforts towards economic and social development since the obstacles to such a development can be reduced considerably.

The discrimination and exploitation of workers is constantly being checked.

It provides a method or the regulation of the conditions of employment of those who are directly concerned about them.



Importance to employers

It becomes easier for the management to resolve issues at the bargaining level rather than taking up complaints of individual workers.

Collective bargaining tends to promote a sense of job security among employees and thereby tends to reduce the cost of labor turnover to management.

Collective bargaining opens up the channel of communication between the workers and the management and increases worker participation in decision making.

Collective bargaining plays a vital role in settling and preventing industrial disputes.



Importance to employees

Collective bargaining develops a sense of self respect and responsibility among the employees.

It increases the strength of the workforce, thereby, increasing their bargaining capacity as a group.

Collective bargaining increases the morale and productivity of employees.

It restricts management's freedom for arbitrary action against the employees..

The workers feel motivated as they can approach the management on various matters and bargain for higher benefits.

It helps in securing a prompt and fair settlement of grievances.

It provides a flexible means for the adjustment of wages and employment conditions to economic and technological changes in the industry, as a result of which the chances for conflicts are reduced.

Impasse





**Thank
You!**