**Industrial relation and International practices in Industrial relation**

A number of human resources best practices can help you develop a productive and collegial relationship between management and organized labor. Up-to-date information about labor laws, leadership training on basic industrial relations practices and well-constructed negotiation strategy are elements that will improve your organization’s labor-management relations. Turn what traditionally has been an adversarial relationship into one that benefits your company and employees.

**Labor Laws**

Fundamental to the labor-management relationship is clarity about applicable laws, such as the National Labor Relations Act. The act establishes employees’ rights and sets out the obligations and responsibilities of employers and labor unions. In addition to understanding basic labor law, HR best practices include staying abreast of changes in the laws and decisions of the National Labor Relations Board that affect your industry and your workplace.

**Leadership Training**

Much of leadership training covers how to assign work and provide feedback about performance and basic employment law, such as Title VII of the Civil Rights Act and preventing workplace harassment. Supplement your supervisory training with labor-management-related components, such as union contract interpretation, conflict resolution and, if your workforce isn’t unionized, how to maintain a union-free workplace. Supervisors and managers have the most direct contact with workers, and workforce management principles suggest that HR equip them with the skills necessary to be first responders concerning labor-management issues.

**Collective Bargaining**

HR best practices in collective bargaining include developing management strategy and proposals for contract negotiation at least six months before the contract expiration date. Assess the negotiating team’s workload and reassign long-term projects that could interfere with their availability for bargaining sessions. The NLRA requires that both management and the union make themselves available for contract negotiations, as that demonstrates good faith. If you anticipate changes in your employee benefits package, get clarification from your compensation and benefits specialist on how the group health plan, pension and other benefits will affect negotiations.

**Resources**

Take advantage of resources available to HR staff, supervisors and managers. Continuing education courses, workshops and seminars on building relationships with labor union representatives generally are sponsored by law firms, management consulting groups and colleges. Use social media and Internet research to learn about union-organizing drives, including the occupations and industries that labor unions are targeting.

**Union-Free Workplace**

If your employees aren’t union workers, improve your employee relations practices. Strengthen the employer-employee relationship by addressing workplace issues as soon as possible to avoid the lingering effects of conflict that often lead employees to seek unionization. Conduct routine vulnerability assessments to determine the likelihood of your employees supporting a union. Vigilance pays off — showing interest in and appreciation for your employees keeps job satisfaction high so they won’t seek union representation.

**Grievance Handling**

HR management should address union grievances as soon as they arise. When a union employee feels that he has been unjustly reprimanded or terminated, he can file a grievance. The HR manager or a labor relations specialist is responsible for processing a union-employee grievance, which usually is a three-step process. The process includes a union steward who represents the employee’s interests. If the matter isn’t resolved within the allotted three steps, the case goes to arbitration. The arbitration process can be as lengthy and costly as litigation, both being processes that HR management would like to avoid whenever possible.

**SHRM: Definition, Need and Importance**

Strategic human resource management or SHRM is a branch of HRM. It emerged from the discipline of human resource management and is a fairly new field. Strategic HRM is defined as “the linking of human resources with strategic goals and objectives in order to improve business performance and develop organizational culture that foster innovation and competitive advantage.” SHRM in an organization means “to accept and involve the functions of HR as a strategic partner in formulating and implementing the company’s strategies through human resource activities which may involve recruiting, selecting, rewarding and training company personnel. In spite of the similarity in names, HRM and SHRM are two different practices; SHRM is basically a part of the complete HRM process. Besides that SHRM focuses more on long-term objectives rather than the in-house objectives with employees dealt by HRM. In the late 1980’s writers started stating strong opinions for a much more strategic approach to managing people than was the standard practice of that time. They clamored for the change of traditional management practices of industrial relations and people to the modern more improved ones.

The center point of SHRM is to address and solve problems that effect management programs centering on people in the long run and more than often globally. We can say that the main goal or objective of SHRM is to increase productivity not only in the employees but in the business overall, it achieves this by focusing on business problems and obstacles outside of the human resources range. SHRM identifies important human resource areas where strategies can be implied for the improvement of productivity and employee motivation. To achieve good results communication between human resource and top management of the organization is of utmost importance as cooperation is not possible without active participation.

**KEY FEATURES OF SHRM**

The key features of strategic human resource management are given below:

Some organizing strategies or schemes link individual human resource interventions so that they are ‘mutually supportive’

A great amount of responsibility is transferred down the line for the management of HR

There is a precise link between overall organization strategy, organization environment, HR policies and practices.

**DEVELOPMENT IN SHRM**

In recent times HRM professionals have been facing challenges with employee participation, performance management, employee reward systems, high commitment work systems and human resource flow because of globalization. Traditional models and techniques have no place in today’s business world; also local companies which go global cannot use the same tactics in the global business world. Top managements and HR professionals that are involved in strategic human resource management face a wide range of issues which include some of the following:

Rapid change in technology

Introduction of new concepts of general management

Globalization of market integration

Increased competition, which may not necessarily be local

Resultant corporate climates

Constantly changing ownership

**International labour Standards**

International labour law is the body of rules spanning public and private international law which concern the rights and duties of employees, employers, trade unions and governments in regulating the workplace. The International Labour Organization and the World Trade Organization have been the main international bodies involved in reforming labour markets. The International Monetary Fund and the World Bank have indirectly driven changes in labour policy by demanding structural adjustment conditions for receiving loans or grants. Issues regarding Conflict of laws arise, determined by national courts, when people work in more than one country, and supra-national bodies, particularly in the law of the European Union, has a growing body of rules regarding labour rights.

International labour standards refer to conventions agreed upon by international actors, resulting from a series of value judgments, set forth to protect basic worker rights, enhance workers’ job security, and improve their terms of employment on a global scale. The intent of such standards, then, is to establish a worldwide minimum level of protection from inhumane labour practices through the adoption and implementation of said measures. From a theoretical standpoint, it has been maintained, on ethical grounds, that there are certain basic human rights that are universal to humankind. Thus, it is the aim of international labour standards to ensure the provision of such rights in the workplace, such as against workplace aggression, bullying, discrimination and gender inequality on the other hands for working diversity, workplace democracy and empowerment.

While the existence of international labour standards does not necessarily imply implementation or enforcement mechanisms, most real world cases have utilised formal treaties and agreements stemming from international institutions. The primary international agency charged with developing working standards is the International Labour Organization (ILO). Established in 1919, the ILO advocates international standards as essential for the eradication of labour conditions involving “injustice, hardship and privation”. According to the ILO, international labour standards contribute to the possibility of lasting peace, help to mitigate potentially adverse effects of international market competition and help the progress of international development.

Implementation, however, is not limited to the ILO nor is it constrained to the legislative model that the ILO represents. Other alternatives include direct trade sanctions, multilateral enforcement, and voluntary standards. In addition to controversies that arise over each of these models, greater issues have also been raised concerning the debate over the need for international labour standards themselves. However, while critics have arisen, the international community has largely come to a consensus in favour of basic protection of the world’s labour force from inhumane practices.

Associated with the development of successful international labour standards is proper monitoring and enforcement of labour standards. Most monitoring occurs through the ILO, but domestic agencies and other NGOs also play a role in the successful monitoring of international labour standards.

**Objective of ILO**

Formulation of international policies and programmes to promote basic human rights, improve working and living conditions, and enhance employment opportunities;

Creation of international labour standards in the form of Conventions and Recommendations, backed by a unique system to supervise their application;

An extensive programme of international technical cooperation.

Training, education, research, and publishing activities to help advance all of these efforts.

To promote and realize standards and fundamental principles and rights at work;

To create greater opportunities for women and men to secure decent employment;

To enhance the coverage and effectiveness of social protection for all.

**STRUCTURE OF ILO**

Some of the most important organisational structure of ILO are as follows:

**International Labour Conference (ILC)**

Governing Body

International Labour Office (ILO).

(1) INTERNATIONAL LABOUR CONFERENCE (ILC)

This is the Apex body of ILO which makes labour policies for international labour. The ILC holds its sessions at a frequency not less than once in a year. The delegates from three group’s viz. the government, the employers’ and the workers attend ILC sessions in the ratio of 2:1:1 respectively. Each representative has a vote. The representatives from the Government are mostly ministers, diplomats or officials.

The conference is empowered to appoint committees to deal with different matters relating to labour during each session. Examples of such committees are the selection committee, The Credential Committee, The Resolution Committee, The Drafting Committee, The Finance Committee, etc. All committees except Finance Committee are tripartite in nature.

**The functions performed by the ILC are to:**

Formulate international labour standards.

Fix the amount of contribution to be paid by the member states.

Decide budget and submit the same to the Governing Body.

Study the labour problems submitted by the Director General and assist in their solutions.

Appoint committees to deal with different problems during its sessions.

Elect the president.

Select members of the Governing Body.

Develop policies and procedures.

Seek advisory opinion from International Committee of Justice.

Confirm the powers, functions and procedure of Regional Conference.

(2) GOVERNING BODY

It is also a tripartite body. It implements decisions of the ILC with the help of the International Labour Organization. It consists of 56 members in the same ratio of 2:1:1, i.e. 28 representatives of the Government, 14 of the employers and 14 of the workers. Of the 28 representatives of the Government, 10 are appointed by the members of the States of Chief Industrial Importance and remaining 18 are delegates of the other governments.

Industrial population is the criteria for chief Industrial Importance. India is one of the ten states of chief Industrial Importance. The tenure of the office of this body is 3 years. It meets frequently in a year to take decisions on the programmes of the ILO.

The functions of the Governing Body are to:

Co-ordinate work between the ILC and ILO.

Prepare agenda for each session of the ILC.

Appoint the Director General of the office.

Scrutinize the budget.

Follow up with member states in regard to implementation of the conventions and recommendations adopted by the ILC.

Fix the date, duration, schedule and agenda for the Regional Conferences

Seek as and when required, advisory opinion from the International Court of Justice with the consent of the ILC.

(3) International Labour Office:

This is the secretariat of the ILO in Geneva and is the third major organ of the ILO. The Director General (DG) of the ILO is the Chief Executive Officer of the Secretariat appointed by the Governing Body. He also serves as the Secretary General of the ILC. His tenure is for 10 years and extendable by the Governing Body.

The Director General is assisted by two Deputy Director Generals, six Assistant Director Generals, one Director of the International Institute of Labour Studies, and one Director of the International Centre for Advanced Technical and Vocational Training, Advisors, Chief of Divisions from 100 nations.

Following are the main functions of this office:

Prepare briefs and documents for agenda of ILC.

Assist the Governments of the States to form labour legislation based on recommendations of the ILC.

Bring out publications relating to industrial labour problems of international nature and interest.

Carry out functions related to the observance of the conventions.

Collect and distribute information on international labour and social problems.

To promote and realize standards and fundamental principles and rights at work;

**THE ROLE OF THE ILO**

The mission of the International Labour Organization (ILO) is to promote social justice and internationally recognized human and labour rights, based on the founding principle that social justice is essential to universal and lasting peace.

Decent Work Agenda

As part of its mission, the ILO aims to achieve decent work for all by promoting social dialogue, social protection and employment creation, as well as respect for international labour standards. The ILO provides technical support to more than 100 countries to help achieve these aims, with the support of development partners.

**International labour standards**

The ILO sets international labour standards with Conventions, which are ratified by member states, or Recommendations, which are non-binding.

Conventions are drawn up with input from governments, workers’ and employers’ groups at the ILO. Conventions are adopted by the International Labour Conference, which meets every year in Geneva.

The ILO’s supervisory role

The ILO monitors the implementation of ILO Conventions ratified by member states. This is done through:

The Committee of Experts on the Application of Conventions and Recommendations

The International Labour Conference’s Tripartite Committee on the Application of Conventions and Recommendations

Member states are also required to send reports on the progress of the implementation of the Conventions they have ratified.

ILO Declaration on Fundamental Principles and Rights at Work

Adopted in 1998, the Declaration commits member states to respect and promote eight fundamental principles and rights in four categories, whether or not they have ratified the relevant Conventions.

They are:

Freedom of association and the right to collective bargaining (Conventions 87 and 98)

The elimination of forced or compulsory labour (No. 29 and No. 105)

The abolition of child labour (Conventions No. 138 and No. 182)

The elimination of discrimination in respect of employment and occupation

**Regional integration and Framework Agreements**

Regional Integration is a process in which neighboring states enter into an agreement in order to upgrade cooperation through common institutions and rules. The objectives of the agreement could range from economic to political to environmental, although it has typically taken the form of a political economy initiative where commercial interests are the focus for achieving broader socio-political and security objectives, as defined by national governments. Regional integration has been organized either via supranational institutional structures or through intergovernmental decision-making, or a combination of both.

Past efforts at regional integration have often focused on removing barriers to free trade in the region, increasing the free movement of people, labour, goods, and capital across national borders, reducing the possibility of regional armed conflict (for example, through Confidence and Security-Building Measures), and adopting cohesive regional stances on policy issues, such as the environment, climate change and migration.

Intra-regional trade refers to trade which focuses on economic exchange primarily between countries of the same region or economic zone. In recent years countries within economic-trade regimes such as ASEAN in Southeast Asia for example have increased the level of trade and commodity exchange between themselves which reduces the inflation and tariff barriers associated with foreign markets resulting in growing prosperity.

Regional integration has been defined as the process through which independent national states “voluntarily mingle, merge and mix with their neighbors so as to lose the factual attributes of sovereignty while acquiring new techniques for resolving conflicts among themselves.” De Lombaerde and Van Langenhove describe it as a worldwide phenomenon of territorial systems that increases the interactions between their components and creates new forms of organization, co-existing with traditional forms of state-led organization at the national level. Some scholars see regional integration simply as the process by which states within a particular region increase their level interaction with regard to economic, security, political, or social and cultural issues.

In short, regional integration is the joining of individual states within a region into a larger whole. The degree of integration depends upon the willingness and commitment of independent sovereign states to share their sovereignty. The deep integration that focuses on regulating the business environment in a more general sense is faced with many difficulties.

Regional integration initiatives, according to Van Langenhove, should fulfill at least eight important functions:

The strengthening of trade integration in the region

The creation of an appropriate enabling environment for private sector development

The development of infrastructure programmes in support of economic growth and regional integration

The development of strong public sector institutions and good governance

The reduction of social exclusion and the development of an inclusive civil society contribution to peace and security in the region

The building of environment programmes at the regional level

The strengthening of the region’s interaction with other regions of the world.

The crisis of the post-war order led to the emergence of a new global political structure. This new global political structure made obsolete the classical Westphalian concept of a system of sovereign states to conceptualize world politics. The concept of sovereignty became looser and the old legal definitions of the ultimate and fully autonomous power of a nation-state are no longer meaningful. Sovereignty, which gained meaning as an affirmation of cultural identity, has lost meaning as power over the economy. All regional integration projects during the Cold War were built on the Westphalian state system and were designed to serve economic growth as well as security motives in their assistance to state building goals. Regional integration and globalization are two phenomena that have challenged the pre-existing global order based upon sovereign states since the beginning of the twenty-first century. The two processes deeply affect the stability of the Westphalian state system, thus contributing to both disorder and a new global order.

Regional integration agreements

Regional integration agreements (RIAs) have led to major developments in international relations between and among many countries, specifically increases in international trade and investment and in the formation of regional trading blocs. As fundamental to the multi-faceted process of globalization, regional integration has been a major development in the international relations of recent years. As such, Regional Integration Agreements has gained high importance. Not only are almost all the industrial nations part of such agreements, but also a huge number of developing nations too are a part of at least one, and in cases, more than one such agreement.

The amount of trade that takes place within the scope of such agreements is about 35%, which accounts to more than one-third of the trade in the world. The main objective of these agreements is to reduce trade barriers among those nations concerned, but the structure may vary from one agreement to another. The removal of the trade barriers or liberalization of many economies has had multiple impacts, in some cases increasing Gross domestic product (GDP), but also resulting in greater global inequality, concentration of wealth and an increasing frequency and intensity of economic crises.

The number of agreements agreed under the rules of the GATT and the WTO and signed in each year has dramatically increased since the 1990s. There were 194 agreements ratified in 1999 and it contained 94 agreements form the early 1990s.

The last few years have experienced huge qualitative as well as quantitative changes in the agreements related to the Regional Integration Scheme. The top three major changes were the following:

Deep Integration Recognition

Closed regionalism to open model

Advent of trade blocs

Recent regional integration

Regional integration in Europe was consolidated in the Treaty on the European Union (the Maastricht Treaty), which came into force in November 1993 and established the European Union. The European Free Trade Association is a free trade bloc of four countries (Iceland, Liechtenstein, Switzerland and Norway) which operates in parallel and is linked to the European Union. In January 1994, the North American Free Trade Agreement was formed when Mexico acceded to a prior-existing bilateral free trade agreement between the US and Canada. In The Pacific there was the ASEAN Free Trade Area (AFTA) in 1993 which looked into reducing the tariffs. The AFTA started in full swing in 2000.

Alternative Regional Integration

In the last decade regional integration has accelerated and deepened around the world, in Latin America and North America, Europe, Africa, and Asia, with the formation of new alliances and trading blocks. However, critics of the forms this integration has taken have consistently pointed out that the forms of regional integration promoted have often been neoliberal in character, in line with the motives and values of the World Trade Organization, the International Monetary Fund and the World Bank – promoting financial deregulation, the removal of barriers to capital and global corporations, their owners and investors; focusing on industrialisation, boosting global trade volumes and increasing GDP. This has been accompanied by a stark increase in global inequality, growing environmental problems as a result of industrial development, the displacement of formerly rural communities, ever-expanding urban slums, rising unemployment and the dismantling of social and environmental protections. Global financial deregulation has also contributed to the increasing frequency and severity of economic crises, while Governments have increasingly lost the sovereignty to take action to protect and foster weakened economies, as they are held to the rules of free trade implemented by the WTO and IMF.

Advocates of alternative regional integration argue strongly that the solutions to global crises (financial, economic, environmental, climate, energy, health, food, social, etc.) must involve regional solutions and regional integration, since they transcend national borders and territories, and require the cooperation of different peoples across geography. However, they propose alternatives to the dominant forms of neoliberal integration, which attends primarily to the needs of transnational corporations and investors. Renowned economist, Harvard professor, former senior vice president and chief economist of the World Bank, Joseph Stiglitz has also argued strongly against neoliberal globalisation. Stiglitz argues that the deregulation, free trade, and social spending cuts or austerity policies of neoliberal economics have actually created and worsened global crises. In his 2002 book Globalization and Its Discontents he explains how the industrialized economies of the US, Europe, Japan, South Korea and Taiwan developed not with the neoliberal policies promoted in developing countries and the global South by the WTO, IMF and World Bank, but rather with a careful mix of protection, regulation, social support and intervention from national governments in the market.

**Global Unions**

Global Unions or Council of Global Unions is a website, which is jointly owned and managed by the International Trade Union Confederation (ITUC), the Trade Union Advisory Committee to the OECD, and ten global union federations (GUFs).

The Council of Global Unions (CGU) held its inaugural meeting in Brussels, 9–10 January 2007. All GUFs, with the exception of the International Metalworkers' Federation, as well as TUAC, became members of the Council and signed the agreement.

The CGU was created to encourage closer co-operation among global unions in order to act more effectively at the international level to build a more favourable, enabling environment for organising and collective bargaining. Although its work has policy implications, it was not established to make policy. That is the responsibility of the organisations that constitute the CGU.

The Global Unions group is made up of the International Trade Union Confederation (ITUC), which has 175 million members in 151 countries; the global union federations, which represent their respective sectors at the international trade union level (BWI, EI, IAEA, ICEM, IFJ, IMF, ITF, ITGLWF, IUF, PSI and UNI); and the Trade Union Advisory Committee (TUAC) to the OECD.

In November 2006 two international union organizations were created, the ITUC and the Council of Global Unions that emerged from a reorganization of the international trade union movement (which was divided because of post-war divisions). ITUC is the result of the breakup of both the WCL and ICFTU for the purposes of uniting under one organisation. The Council of Global Unions was created at the first meeting of ITUC and is a body involving the GUFs, ITUC, and TUAC.

Although Global Unions are described as 'global', this represents more an "aspiration than a reality since they are more accurately described as international bodies with wide coverage that are 'globalising'" (Croucher and Cotton, 2009). Historically, they have built outwards from their European bases in an attempt to include unions in other regions and are still trying to extend their coverage to every country where unions are found.

According to Harold Lewis (2003) the Global Union Federations are responsible for 80 per cent of the international movement’s activity and 90 per cent of its work directly affecting workplaces.