DEPARTMENT OF SOCIAL WORK GURU GHASIDAS VISHWAVIDYALAYA, BILASPUR (C.G) MSW Semester III Model Answer

Paper: Management of Industrial Relations -MS-303 (A)

Question paper Code: AS-2457

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Section A

Q 1 Attempt all objectives

(10X2=20)

- I. When was the term collective bargaining originated?19th century
- II. Collective bargaining is the process of negotiation between two parties. Who are they? **Employer and employees**
- III. How many workers require for a formal grievance procedure in an organization?

 100 or more
- IV. Arbitrator Neutral person to decide on common issue, includes an umpire (True or False)....

True

- V. Industrial Relations facilitates change (True or False)

 True
- VI. Industrial Relation ensures overexploitation of scare resources (True or False)
- VII. Management must provide an enlightened leadership to the people in the organization (True or False)

True

VIII. Collective bargaining is generally structured and conducted at three levels., viz, plant, industry or state (True or False)....

False

IX. A punishment should be commensurate with the gravity of the offence. (True or False).....

True

X. Industrial Relations establishes industrial democracy (True or False) **True**

True

Section B

Q2 Attempt any five Questions (words: 100-150) (5X6=30)

I. What Is The Role Of Trade Unions In Industrial Disputes?

Industrial dispute refers to any conflict between employees and employers, between employers and employers and between employers and employees

Strong trade unions help prevent industrial Disputes. They can bargain with employers effectively and seek quick redressal of grievances. Industrial relations will be sound only when the bargaining power of the employees' union is equal to that of management. A strong union can protect the employees' interest relating to wages, benefits, job security, etc. Some of the examples are- Craft Unions – supports skilled craftsmen, e.g. Musicians' Union

Industrial Unions – grew from traditional heavy industrial e.g. Union of Shop, Distribution Workers (USDAW)

General Unions – usually semi-skilled and unskilled workers e.g. GMB White Collar Unions – people working in clerical jobs e.g. UNISON

Most "collective bargaining" takes place quietly and agreements are quickly reached by the union and the employer. Occasionally disagreements do occur and the two sides cannot agree. In these cases the union may decide to take industrial action.

Industrial action takes different forms. It could mean an over time ban, a work-to-rule or a strike. There are strict laws which unions have to follow when they take industrial action.

A strike is only called as a last resort. Strikes are often in the news but are rare. Both sides have a lot to lose. Employers lose income because of interruptions to production or services. Employees lose their salaries and may find that their jobs are at risk.

The Advisory, Conciliation and Arbitration Service (ACAS) is often used to help find a solution to a dispute which is acceptable to both sides.

Conciliation: Conciliation is a process by which representatives of workers and employers are brought together before a third party with a view to persuading them to arrive at an agreement by mutual discussion between them

Trade unions have an important role in:

Improving communication between employees and managers so that employees can understand and be committed to the organisation's objectives and to prevent the dispute.

Negotiating improvements to pay and working conditions so that people feel more satisfaction at work and stay longer in their jobs and the disputes gets resolved.

Encouraging companies to invest in training and development so that employees have the skills necessary for improved products and services

Acting as a positive force for change - by winning employees' support to the introduction of new technologies and work organisation

Inculcates discipline among the workforce.

Settlement of industrial disputes in a rational manner.

Pressure, strike, negotiation, bargaining, threat etc are the other roles.

Britain's most successful companies are ones where unions are recognised. 44 of the Financial Times Top 50 companies recognise trade unions.

II. Write the basic characteristics of Industrial relation.

In simple terms Industrial Relations deals with the worker employee relation in any industry,

Government has attempted to make Industrial Relations more health the by enacting Industrial Disputes Act 1947, to solve the dispute and to reduce the regency of dispute. This in-turn improves the relations.

Industrial relations constitute one of the most delicate and complex problems of the modern industrial society. This phenomenon of a new complex industrial set-up is directly attributable to the emergence of 'Industrial Revolution". The pre-industrial revolution period was characterized by a simple process of manufacture, small scale investment, local markets and small number of persons employed. All this led to close proximity between the manager and the managed. Due to personal and direct relationship between the employer and the employee it was easier to secure cooperation of the latter. Any grievance or misunderstanding on the part of either party could be promptly removed. Also, there

was no interference by the State in the economic activities of the people. Under such a set-up industrial relations were simple, direct and personal. This situation underwent a marked change with the advent of industrial revolution – size of the business increased needing investment of enormous financial and human resources, there emerged a new class of professional managers causing divorce between ownership and management, and relations between the employer and the employer became entranced and gradually antagonistic. This new set-up rendered the old philosophy of industrial relation irrelevant and gave rise to complex, indirect, and impersonal industrial relations

Maintenance of harmonious industrials relations is on vital importance for the survival and growth of the industrials enterprise. Good industrial relations result in increased efficiency and hence prosperity, reduced turnover and other tangible benefits to the organization. The significance of industrial relations can be summarized as below:

It establishes industrial democracy: Industrial relations means settling employees problems through collective bargaining, mutual cooperation and mutual agreement amongst the parties i.e., management and employees' unions. This helps in establishing industrial democracy in the organization which motivates them to contribute their best to the growth and prosperity of the organization.

It contributes to economic growth and development: Good industrial relations lead to increased efficiency and hence higher productivity and income. This will result in economic development of the economy.

It improves morale of the work force: Good industrial relations, built-in mutual cooperation and common agreed approach motivate one to contribute one's best, result in higher productivity and hence income, give more job satisfaction and help improve the morale of the workers.

It ensures optimum use of scare resources: Good and harmonious industrial relations create a sense of belongingness and group-cohesiveness among workers, and also a congenial environment resulting in less industrial unrest, grievances and disputes. This will ensure optimum use of resources, both human and materials, eliminating all types of wastage.

It discourages unfair practices on the part of both management and unions: Industrial relations involve setting up a machinery to solve problems confronted by management and employees through mutual agreement to which both these parties are bound. This results in banning of the unfair practices being used by employers or trade unions.

III. Write note on the Sociological perspective of Industrial Relations and give examples to explain the concept.

Industry is a social world in miniature. The management goals, workers' attitudes, perception of change in industry, are all, in turn, decided by broad social factors like the culture of the institutions, customs, structural changes, status-symbols, rationality, acceptance or resistance to change, tolerance etc. Industry is, thus inseparable from the society in which it functions. Through the main function of an industry is economic, its social consequences are also important such as urbanization, social mobility, housing and transport problem in industrial areas, disintegration of family structure, stress and strain, etc. As industries develop, a new industrial-cum-social pattern emerges, which provides general new relationships, institutions and behavioural pattern and new techniques of handling human resources. These do influence the development of industrial relations.

The term, "Industrial Sociology," has an alluring ring. Supported by a generous amount of collectively generated enthusiasm it is not surprising that the field beckons to so many in our fold and attracts a lot on the basis of a specious offer of great and easy rewards. The present faddish character of interest in Industrial Sociology is perhaps inevitable and since we are all human, merits nothing more than mere comment, the word "Industrial Sociology" confer somehow an automatic assurance that sociologists who move into this field are equipped with an adequate fund of guiding principles and a pertinent set of instruments of research. The recent and current activities of students in the field of industrial sociology represent little more than the application of a conventional stock of ideas and methods of study to a new area of interest, this effort of application suffers from a double deficiency.

First, the students making the application are dreadfully naive with reference to the nature of industrial relations, they are naive because all of us are naive in this area. Second, the stock of conventional ideas and modes of research which we employ in our discipline are not suited to the study of industrial relations in our contemporary society. Such ideas and modes of research are essentially hackneyed, unrealistic and uninspiring. These are strong charges. Their validity may be judged by the content of the following discussion.

The mobile character of industrial relations has taken on a new dimension and nature with the organization of workers in vast national unions. The focal point of relationship has been shifted away from the contact between workers and local management to the contact between big union organization and management organization. Although there are exceptions, the usual consequence of the organization of workers on a national basis has been a centralized guidance of labor activities over an industry-wide area. Bargaining is done for the industry as a whole or for large segments of the industry represented by huge corporations. Thus labor relations become increasingly a matter of relationship between gigantic organizations of workers and management, each of which functions through central policy and executive groups. Relations between workers and management in the local plants in the industry tend to lose separate and autonomous character and instead are determined in their basic outlines by the policies, objectives, plans and strategy of the central organizations. Thus to suggest an analogy, workers and management become related and aligned like vast opposing armies, with many outposts and points of contact but with the vast relationship operating along lines set up by the central organizations

There is a third body of sociological theory which regards modern industrial relations as products of long time trends or "super-organic" factors. There is considerable difference in what is taken as the significant trend or trends by different theorists or research students. The trend may be a class struggle, or a change in social stratification as a result of science or technology, or a change in the internal structure of industrial economy resulting from diverse inventions, or the operation of the business cycle, or it may be merely some kind of statistical trend. Whatever be the trend which is used, it becomes, logically, a kind of super-organic determinant of industrial relations. This type of approach seems to me to be markedly incapable of accounting for the mobile pattern of industrial relations, or interpreting what goes on in such industrial relations, or explaining the results or outcome of such relations. Admittedly, the activities between workers and management take place not in a vacuum, but in a historical context and in a field of pervasive social and economic factors. The context and the field undeniably provide stimulation and exercise constraints, opening lines of development and setting limits to developments. The fact that the context and the field constitute a framework does not mean, however, that the activities carried on in that framework are dictated or predetermined by that framework.

IV. What are the problems of New Technologies and Industrial Relations?

We cannot survive our industries unless we compete with others, other nationals. Because now we are facing global economy to make this we have to change improve technologies of production of industries. As such to make it effective we have to change our approach, communication pattern with our workers – through whom only we can have the changes.

In the modern times industries can survive only if they bring a change in management, There should be organisational changes and also with dynamism gradual change – we cannot cope up with leaping nations to grab the world market yesterday it is U.S.A today Japan tomorrow, Korea Singapore Germany will be striving to lead – where are we? Unless we change that to with zeal and dynamism, existence of industries will be at stake.

The dynamics of change include.

- Change in technology
- 2. Human relations
- 3. Production methods

- 4. marketing strategies
- 5. New Financial management etc.

Technology should be adopted to increase production productivity. Now when question of production comes – It is the workers base who must be motivated, brought up by our attempt to improve our production productivity hence we must improve our relations with them improve their faith in us. There may be resistance by workers to receive new technology of production etc. this is natural but it is managers who should deal with them by having transparency they should be brought around Introduction of new technology creates

- 1. Fear of un-known in the hearts of workers.
- 2. Loss of job due to mechanisation and consequent displacement.
- 3. Panic reaction since they may not learn how to operate the new machines and use new techniques.
- 4. A feeling of inferiority complex and consequent depression.
- 5. A feeling of distancing from the machines with which they lived for years together, say right from start of their careers.
- 6. Low wages in comparison to their counterparts for the same job in other countries.
- 7. Dissatisfaction and resentment against the newer modes of work

All these things creates bad industrial relations, strained attitude of workers. Leading to poor production productivity. Sometimes strikes violent behaviours also are seen in such circumstances

The answers to Industrial Relations problem with the advent of new technology lies in making compatible adjustments in our HR dealings coupled with the suitable way of communication.

V. What are the basic characteristic of Industrial Relation?

Industrial Relation is seen as a cooperation between employer and employee, it is done with discipline done in an organized manner and not casual and it gives satisfaction 'of needs'.

It is concerned with the relationships between management and workers and the role of regulatory mechanism in resolving any industrial dispute.

The relation between workers and management have undergone Himalayan changes in our country there had been a system of king and his subjects, all should work to improve the coffers of the king. Later Zamindars came and workers were at their mercy — some time bonded also, later with the formation of East India company and British Rule a heart less Hire and fire system was established Industrial workers were no man's child neither the employers nor government cared for them, there were no union also. Gradually enlightened leaders came in like, Gokale, MK Gandhi Roy, Tilak etc felt the need for worker's union. Their relentless efforts forced both governments and the employers to think of workers lot small unions were formed, government enacted rules like 'Trade union Act 1926. Industrial disputes Act etc. The objective are:

The workers began to realise their status and they were awakened

To bring better understanding and cooperation between employers and workers.

To establish a proper channel of communication between workers and management.

To ensure constructive contribution of trade unions.

To avoid industrial conflicts and to maintain harmonious relations.

To safeguard the interest of workers and the management.

To work in the direction of establishing and maintaining industrial democracy.

To ensure workers' participation in decision-making.

To increase the morale and discipline of workers.

To ensure better working conditions, living conditions and reasonable wages.

To develop employees to adapt themselves for technological, social and economic changes.

To make positive contributions for the economic development of the country.

It prompts enactment of sound labour legislation: Industrial relations necessitate passing of certain labour laws to protect and promote the welfare of labour and safeguard interests of all the parties against unfair means or practices.

It facilitates change: Good industrial relations help in improvement of cooperation, team work, performance and productivity and hence in taking full advantages of modern inventions, innovations and other scientific and technological advances. It helps the work force to adjust themselves to change easily and quickly

VI. Explain what is unfair labour practice?

Unfair Labour Practices: It is unfair treatment by an employer of an employee or job applicant. There are a limited number of unfair labour practices that the LRA defines, the types of treatment, which may constitute an unfair labour practice, are discussed hereunder. Section 185 of the LRA states that "every employee has the right not to be subjected to an unfair labour practice."

ON THE PART OF EMPLOYERS AND TRADE UNIONS OF EMPLOYERS

- (1) To interfere with, restrain from, or coerce, workmen in the exercise of their right to organize, form, join or assist a trade union or to engage in concerted activities for the purposes of collective bargaining or other mutual aid or protection, that is to say.-
- (a) Threatening workmen with discharge or dismissal, if they join a trade union;
- (b) Threatening a lock-out or closure, if a trade union is organized;
- (c) Granting wage increase to workmen at crucial periods of trade union organization, with a view to undermining the efforts of the trade union at organization.
- (2) To dominate, interfere with or contribute support, financial or otherwise, to any trade union, that is to say,
- (a) an employer taking an active interest in organizing a trade union of his workmen; and
- (b) an employer showing partiality or granting favor to one of several trade unions attempting to organize his workmen or to its members, where such a trade union is not a recognized trade union.
- (3) To establish employer sponsored trade unions of workmen.
- (4) To encourage or discourage membership in any trade union by discriminating against any workman, that is to say,
- (a) Discharging or punishing a workman, because he urged other workmen to join or organize a trade union;
- (b) Discharging or dismissing a workman for taking part in any strike (not being a strike which is deemed to be an illegal strike under this Act);
- (c) Changing seniority rating or workmen because of trade union activities;
- (d) Refusing to promote workmen of higher posts on account of their trade union activities;
- (e) Giving unmerited promotions to certain workmen with a view to creating discord amongst other workmen, or to undermine the strength of their trade union;
- (f) Discharging office-bearers or active members of the trade union on account of their trade union activities.
- (5) To discharge or dismiss workmen-
- (a) By way of victimization;
- (b) Not in good faith, but in the colourable exercise of the employer's rights;
- (c) By falsely implicating a workman in a criminal case on false evidence or on concocted evidence;
- (d) For patently false reasons;
- (e) On untrue or trumped up allegations of absence without leave;
- (f) In utter disregard of the principles of natural justice in the conduct of domestic enquiry or with undue haste;
- (g) For misconduct of a minor technical character, without having any regard to the nature of the particular misconduct or the past record or service of the workman, thereby leading to a disproportionate punishment.
- (6) To abolish the work of a regular nature being done by workmen, and to give such work to contractors as a measure of breaking a strike.

- (7) To transfer a workman mala fide from one place to another, under the guise of following management policy.
- (8) To insist upon individual workmen, who are on a legal strike to sign a good conduct bond, as a precondition to allowing them to resume work.
- (9) To show favoritism or partiality to one set of workers regardless of merit.
- (10) To employ workmen as "badlis", casuals or temporaries and to continue them as such for years, with the object of depriving them of the status and privileges of permanent workmen.
- (11) To discharge or discriminate against any workman for filing charges or testifying against an employer in any enquiry or proceeding relating to any industrial dispute.
- (12) To recruit workman during a strike which is not an illegal strike.
- (13) Failure to implement award, settlement or agreement.
- (14) To indulge in acts of force or violence.
- (15) To refuse to bargain collectively, in good faith with the recognized trade unions.
- (16) Proposing or continuing a lock-out deemed to be illegal
- ON THE PART OF WORKMEN AND TRADE UNIONS OF WORKMEN
- (1) To advise or actively support or instigate any strike deemed to be illegal under this Act.
- (2) To coerce workmen in the exercise of their right to self-organization or to join a trade union or refrain from, joining any trade union, that is to say-
- (a) for a trade union or its members to picketing in such a manner that non-striking workmen are physically debarred from entering the work places;
- (b) to indulge in acts of force or violence or to hold out threats of intimidation in connection with a strike against non-striking workmen or against managerial staff.
- (3) For a recognized union to refuse to bargain collectively in good faith with the employer.
- (4) To indulge in coercive activities against certification of a bargaining representative.

VII. What are the causes of Employ Grievance?

Grievances generally arise from the day-do-day working relations in the undertaking, usually a employee or trade union protest against an act or omission or management that is considered to violate worker's rights, like

(i) Promotions; (ii) Amenities; (iii) Continuity of service; (iv) Compensation; (v) Disciplinary action; (vi) Fines; (vii) Increments (viii) Leave; (ix) Medical Benefits; (x) Nature of the job; (xi) Payment of wages; (xii) Acting promotion; (.xiii) Recovery of dues; (xiv) Safety appliance; (xv) Superannuation; (xvi) Supersession; (xvii) Transfer; (xviii) Victimization; and (xix) Conditions of work

There are certainly some of the causes that can lead to grievance. Some of them are listed below: Morality: there are some rights which must be provided by the company. Which shows morality for the company:

- It gives an opportunity to the workers to express their feelings.
- The management comes to know that what the workers think.
- It highlights the morale of the people.
- There may be some complaints, which cannot be solved at supervisory level.
- They must have been resolved by a systematic grievance handling procedure.
- It improves the policies and practices of the company.

Working environment: an fulfill environment means so many thing for each staff, they always wants a perfect and wonderful work place for them and to create a manageable work place, company has to be persuade, and some effective steps are:

- Poor working conditions
- Faulty machines and equipments.
- Attitude of supervisor
- Behavior of top management
- Favoritism and nepotism
- Strained relations

- Excessive discipline
- Defective promotion
- Lay off and retrenchment
- Inadequate health and safety devices

Economic manners: it's an effective motivator for the staffs almost all staffs get motivated for good amount of wages and other relative facilities and some factors are given below:

- Wage fixation and revision
- Payment of overtime
- Inadequate bonus
- Demand for welfare and equipments
- Incentive
- Allowances
- Increments

Supervision:some staffs likes to take responsibilities in different situation, specially, project management, promotion, and other exiting activities, its attributed by the interest of the individual staffs, and supervisory is also can be a motivator.

Work group:

- many employees are unable to adjust with colleagues
- Suffer from feeling of neglect
- Victimization an object of ridicule and humiliation.

Maladjustment of the Employee:

- Improper attitudes towards work
- Lack of interest

Section C

Q3 Attempt any one Question (words: 250-300) (1X20=20)

I. What are the different perspectives of Industrial Relations? Explain any four.

Perspectives on Industrial Relations

The important perspectives on Industrial Relations are;

Unitary Perspective:

In unitarism, the organization is perceived as an integrated and harmonious system, viewed as one happy family. A core assumption of unitary approach is that management and staff, and all members of the organization share the same objectives, interests and purposes; thus working together, hand-in-hand, towards the shared mutual goals. Furthermore, unitarism has a paternalistic approach where it demands loyalty of all employees. Trade unions are deemed as unnecessary and conflict is perceived as disruptive.

From employee point of view, unitary approach means that:

Working practices should be flexible. Individuals should be business process improvement oriented, multi-skilled and ready to tackle with efficiency whatever tasks are required.

If a union is recognized, its role is that of a further means of communication between groups of staff and the company.

The emphasis is on good relationships and sound terms and conditions of employment.

Employee participation in workplace decisions is enabled. This helps in empowering individuals in their roles and emphasizes team work, innovation, creativity, discretion in problem-solving, quality and improvement groups etc.

Employees should feel that the skills and expertise of managers supports their endeavours.

From employer point of view, unitary approach means that:

Staffing policies should try to unify effort, inspire and motivate employees.

The organization's wider objectives should be properly communicated and discussed with staff.

Pluralistic-Perspective:

In pluralism the organization is perceived as being made up of powerful and divergent sub-groups — management and trade unions. This approach sees conflicts of interest and disagreements between managers and workers over the distribution of profits as normal and inescapable. Consequently, the role of management would lean less towards enforcing and controlling and more toward persuasion and co-ordination. Trade unions are deemed as legitimate representatives of employees. Conflict is dealt by collective bargaining and is viewed not necessarily as a bad thing and if managed could in fact be channelled towards evolution and positive change. Realistic managers should accept conflict to occur. There is a greater propensity for conflict rather than harmony. They should anticipate and resolve this by securing agreed procedures for settling disputes.

Marxist Perspective:

This view of industrial relations is a by-product of a theory of capitalist society and social change. Marx argued that:

Weakness and contradiction inherent in the capitalist system would result in revolution and the ascendancy of socialism over capitalism.

Capitalism would foster monopolies.

Wages (costs to the capitalist) would be minimized to a subsistence level.

Capitalists and workers would compete/be in contention to win ground and establish their constant win-lose struggles would be evident.

This perspective focuses on the fundamental division of interest between capital and labour, and sees workplace relations against this background. It is concerned with the structure and nature of society and assumes that the conflict in employment relationship is reflective of the structure of the society. Conflict is therefore seen as inevitable and trade unions are a natural response of workers to their exploitation by capital

The System Approach

The system approach was developed by J. P. Dunlop of Harvard University in 1958. According to this approach, individuals are part of an ongoing but independent social system. The behaviour, actions and role of the individuals are shaped by the cultures of the society. The three elements of the system approach are input, process and output. Society provides the cue (signal) to the individuals about how one should act in a situation. The institutions, the value system and other characteristics of the society influence the process and determine the outcome or response of the individuals. The basis of this theory is that group cohesiveness is provided by the common ideology shaped by the societal factors.

According to Dunlop, the industrial relations system comprises certain actors, certain contexts, and an ideology, which binds them together and a body of rules created to govern the actors at the workplace and work community. The actors in the system are the managers, the workers and their representatives, and the government agencies. The rules in the system are classified into two categories: substantive rules and procedural rules. The substantive rules determine the conditions under which people are employed. Such rules are normally derived from the implied terms and conditions of employment, legislations, agreements, practices and managerial policies and directives. The procedural rules govern how substantive rules are to be made and understood. Ultimately, the introduction of new rules and regulations and revisions of the existing rules for improving the industrial relations are the major outputs of the industrial relations system. These may be substantive rules as well as procedural rules." The context in the system approach refers to the environment of the system which is normally determined by the technological nature of the organization, the financial and other constraints that restrict the actors of industrial relations, and the nature of power sharing in the macro environment, namely, the society.

II. How does the state influence the Industrial Relations? Define the role of a "welfare state" in the Industrial Relation

In recent years the State has played an important role in regulating industrial relations but the extent of its involvement in the process is determined by the level of social and economic development while the mode of intervention gets patterned in conformity with the political system obtaining in the country and the social and cultural traditions of its people. The degree of State intervention is also determined by the stage of economic develop. For example, in a developing economy like ours, workstoppages to settle claims have more serious consequences than in a developed economy and similarly, a free market economy may leave the parties free to settle their relations through strikes and lockouts but in other systems varying degrees of State participation is required for building up sound industrial relations.

In India, the role played by the State is an important feature in the field of industrial relations and State intervention in this area has assumed a more direct form. The State has enacted procedural as well as substantive laws to regulate industrial relations in the country.

The pattern of state involvement in the labour market and the economy affects the character of industrial relations.

The 'state' as opposed to the 'government' encompasses plurality of institutions, which are intended to operate independently of elected political parties or the government of the day.

Public policy determined by complex network of institutional arrangements.

The 'executive', 'judicial' and 'legislative' functions of the state.

Debate concerning wider roles and functions of the state.

Competing perspectives on the role of the state:

- pluralist view—state acts as a neutral arbiter
- radical (Marxist) view—state acts to promote and protect commercial interests

Claus Offe (1975) identifies two dominant functions for the state:

- To ensure the continued 'accumulation' of profit and
- To ensures the overall 'legitimacy' of the system.

Conflict can occur between the accumulation and legitimation aspects of the state.

Role and Function of State:

Function	Role of the state
Accumulation of profit based on three principles:	
Exclusion: decisions about investment, production and resources by private enterprises	Does not intervene
2. Maintenance: protections for capitalist production & commercial interests	Provides legal and judicial bodies, appropriate financial and tax systems and transport infrastructures
3. Dependency: on private enterprises for taxation and revenue	Needs to provide financial and other infrastructures to support the state
Legitimacy of the system	Formulation of policies on education, welfare, law etc. to reduce class conflict

The state has a degree of 'relative autonomy' from the interests of private capital.

The state performs a variety of functions in industrial relations:

- legislator: labour law and promotion of collective bargaining
- labour market regulator: establishes minimum standards of employment conditions
- conciliator, arbitrator and mediator: provides services to facilitate resolution of industrial conflict
- employer of labour: public sector employment
- provider of public goods: provides health care and vocational training.

Burawoy's (1985) framework establishes links between the state and labour relations.

Patterns of workplace IR are directly linked to changes in the character of state intervention in labour regulation.

Burawoy argues that state activities can be analysed as 'factory regimes' and regulated two ways:

- imposes limits on managerial prerogative
- seeks to protect the reproduction of labour power.

Burawoy distinguishes between 'market despotism' and 'hegemonic' factory regimes. state and labour relations.

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The size and cost of the public-sector workforce has made public-sector management an ongoing political issue