



# MUTHAYAMMAL ENGINEERING COLLEGE

(An Autonomous Institution)

(Approved by AICTE, New Delhi, Accredited by NAAC & Affiliated to Anna University)

Rasipuram - 637 408, Namakkal Dist., Tamil Nadu.



**MUST KNOW CONCEPTS**

**MKC**

**MBA**

**2021 - 22**

**Course Code & Course Name : 19MBC21 & Industrial Relation And Labour Laws**  
**Year/Sem/Sec : II / III**

S.No.	Term	Notation (Symbol)	Concept / Definition / Meaning / Units / Equation / Expression	Units
<b>Unit-I : Introduction</b>				
1.	Absenteeism		Term is most commonly applied to unjustified failure of workers to report to work when scheduled. In determining rate of absenteeism, however, it may apply to all absences, whether for justified (e.g., sickness) or unjustified reasons.	I
2.	Active employees		Employees at work, as distinguished from retired or laid-off employees.	I
3.	Agreement		Written contract between an employer (or an association of employers) and a union (or unions)	I
4.	Annuity		Pension plan	I
5.	Boycott		Efforts by a union, usually in collaboration with other unions, to discourage the purchase, handling, or use of products of an employer with whom the union is in dispute.	I
6.	Casual workers		Workers who have no steady employer, but who shift from employer to employer.	I
7.	Association agreement		An agreement negotiated and signed by an employers' association, on behalf of its members, with a union or unions. (see multiemployer bargaining.)	I
8.	Division of work		Work sharing	I
9.	Jury-duty pay		Pay or allowance granted to an employee for working time spent on jury duty, usually in	I

			addition to fees paid by the court.	
10.	Labor force		Work force	I
11.	Apprentice		A person, usually a young man, who enters into agreement to learn a skilled trade	I
12.	Arbitrator		A private, neutral person chosen to arbitrate adisagreement	I
13.	Average pay		The salaries of all people employed in that position.	I
14.	Award		An interim or a final determination of any industrial distribute.	I
15.	Labour Court		A court in some countries that deals with cases or disagreements involving employers and employees.	I
16.	Public utility Service		An organization which provides a basic service to the public, such as water	I
17.	Settlement		Conciliation proceedings and include a written agreement between the employer and workmen	I
18.	Wages		All remuneration capable of being expressed in terms of money	I
19.	Workman		Any person employed in an industry to do any manual and unskilled, skilled, technical.	I
20.	Accretion		When some employees are transferred to another employing entity whose employees are already represented by a union	I
21.	Actions during emergencies		Management's right "to take whatever actions may be necessary to carry out the agency mission during emergencies".	I
22.	Ad hoc arbitration		A proceeding whereby the union and the employer	I
23.	Administrative law judge		An official who presides at administrative trial proceedings to hear facts and issue decisions regarding unfair labor practice cases.	I
24.	Affirmative Action		Any program, policy or procedure that an employer implements in order to correct past discrimination.	I

25.	Binding arbitration		The law requires that collective bargaining agreements.	I
<b>Unit-II : Industrial Disputes</b>				
26.	Bargaining Rights		The legally recognized right of a labor union to represent employees in negotiations with employers.	II
27.	Certified union		A union designated by federal or state labor relations boards as the exclusive bargaining agent of a group of employees.	II
28.	Collective bargaining		The parties to an agreement are required to bargain in good faith, but cannot be compelled to agree.	II
29.	Disability		Any injury or illness, temporary or permanent, which prevents a worker from carrying on his usual occupation	II
30.	Leave of absence		Generally, excused time (unpaid) away from work, usually for a week or more, without loss of job or seniority.	II
31.	Loose rate		Runaway rate	II
32.	Changeover time		Working time lost while a company changes from one model to another, as in the automobile industry	II
33.	Pact		Agreement	II
34.	Economic strike		Union-authorized strikes to bring about changes in wages, hours, or working conditions, usually associated with contract negotiations	II
35.	Paper locals		Local unions which exist only "on paper" (charter) with no actual membership.	II
36.	Downgrading		Demotion	II
37.	Apprentice		A person, usually a young man, who enters into agreement to learn a skilled trade and to achieve.	II
38.	Arbitration		Arbitration is voluntary when both parties agree to submit disputed issues to arbitration, and compulsory if required by law.	II
39.	Payment by results		Incentive wage system	II

40.	Payroll period		Frequency with which workers' wages are calculated and paid, usually weekly, biweekly, or semimonthly	II
41.	Manpower		General term used to designate all persons (male and female) able and willing to work, that is, the available labor force. The term is sometimes used in reference to a more limited group, e. G ., company, industry, community, workers with particular skills, etc.	II
42.	Posting		Job posting	II
43.	Piece rate		Predetermined amount paid per unit of output to worker under a piecework incentive plan	II
44.	Craft		Usually, a skilled occupation requiring a thorough knowledge of processes involved in the work, the exercise of considerable independent judgment, usually a high degree of manual dexterity, and, in some instances, extensive responsibility for valuable product or equipment	II
45.	Manual workers		Blue-collar workers	II
46.	Merit increase		An increase in the wage rate of a worker, usually given on the basis of certain criteria of worth, e. G ., efficiency and performance.	II
47.	Funeral leave pay		Bereavement pay	II
48.	Transfer card		Card issued by a local union to a member in good standing, certifying his eligibility to join another local of the same union in a different location.	II
49.	Employee benefit plan		Welfare plan	II
50.	Wage leadership		Influence exercised by the wage settlement reached by a large firm or group of firms on other negotiations in the same industry or area	II

### Unit-III : Labor Welfare

51.	Bargaining rights		Legally recognized right of unions to represent workers in dealings with employers.	III
52.	Sick leave		Period of time during which a worker may be absent without loss of job or seniority if	III

			unable to work because of illness or accident.	
53.	Price list		Listing of piece prices or rates to be paid for piecework, usually established by company-union negotiation	III
54.	Attendance bonus		Payment or another type of reward (e. G ., a day off) for employees whose record of daily reporting for work, without absences, meets certain standards of excellence	III
55.	Occupational rate		Wage rates (single or rate ranges) for particular occupations in an establishment, industry, or area	III
56.	Money-purchase plan		Pension plan	III
57.	Out-of-work benefits		Usually, payments made by a union to unemployed members	III
58.	Goon		Slang term for a person hired by either management or union during a labor dispute to make trouble and intimidate the opposition by violence or the threat of violence	III
59.	Retraining		Development of new skills for workers through a definite program, so that they are able to qualify for new or different work	III
60.	Industrial relations		Mutual concern to employers and employees; the relationships, formal and informal, between employer and employees or their representatives;	III
61.	Blue-collar workers		Term for manual workers, usually those employed in production, maintenance, and related occupations, and paid by the hour or on an incentive basis	III
62.	Production bonus		Extra payment directly related to the output of an individual worker or a group of workers.	III
63.	Industrial union		A union that represents all or most of the production, maintenance, and related workers, both skilled and unskilled, in an industry or company	III
64.	Contract		Agreement	III
65.	Inequity		Generally applied to wage rates or benefits, usually the former, that are substantially lower than those prevailing elsewhere in the plant, company, locality, or industry for the same or	III

			comparable work.	
66.	Corridor		Deductible	III
67.	Compensation		Earnings	III
68.	Confidential employee		An employee whose functional responsibilities or knowledge	III
69.	Contract		Also known as a collective bargaining agreement, it is a written document setting forth the terms and conditions of employment, grievance procedures, and any other matters resulting from collective bargaining.	III
70.	Corporate campaign		The use of strategic pressure on an employer's weaknesses to gain leverage during a contract campaign or union organizing campaign.	III
71.	Craft union		Refers to an approach to union organizing that seeks to unify workers in a particular industry along the lines of the particular craft or trade that they work in.	III
72.	Distribution		As used in labor relations, the handing out of materials in or about the workplace.	III
73.	Election agreement		Agreement entered into by the agency and the union(s) competing for exclusive recognition dealing with campaign procedures	III
74.	Workers' compensation programs		State laws enacted to provide workers with protection and income replacement benefits due to an illness or injury suffered on the job.	III
75.	Welfare fund		A fund developed through the collective bargaining process that provides employees for several employers with particular welfare benefits.	III

#### Unit-IV: Industry Safety And Labour Law

76.	Waiver		An agreement reached between union and management whereby one party voluntarily gives up rights afforded to it	IV
77.	Volunteer Organizing Committee		A term used to describe union members who volunteer for the union during organizing campaigns.	IV
78.	Vesting		An employee's right to receive present or future pension benefits, even if the employee does not remain in the service of the employer.	IV

79.	Union		A formal organization certified by the National Labor Relations Board and authorized to act on behalf of employees regarding wages, benefits.	IV
80.	Turnover		Describes changes in the work force resulting from voluntary or involuntary resignations.	IV
81.	Temporary replacement		Individual hired to temporarily replace an employee engaged in a strike. At the end of the strike, temporary replacements are released from work.	IV
82.	Supervisor		Any individual having authority, in the interest of the employer, to hire, transfer, suspend, lay off.	IV
83.	Strike		Occurs when employees deliberately refuse to perform their jobs and/or form picket lines outside the employer's.	IV
84.	Stretch-out		A term used to describe a situation in which employees are required to take on additional work without additional compensation.	IV
85.	Service worker		A worker whose job is primarily to provide personal, protective or maintenance services for an employer.	IV
86.	Permanent umpire		An arbitrator who has been chosen by both management and the union to serve for a specified period of time or the duration of the contract.	IV
87.	Paper locals		A term used to describe a local union that has no members	IV
88.	Objections to elections		Charges filed with the FLRA contesting election results because of alleged irregularities in the conduct of a representational election	IV
89.	Negotiated grievance procedure		A systematic procedure agreed to by the negotiating parties for the resolution of grievances.	IV
90.	Negotiation		A process whereby members of management and the union bargain over terms and conditions of employment during collective bargaining.	IV
91.	Negotiability		Refers to whether a given topic is subject to	IV

			bargaining between an agency and the union.	
92.	Labor organization		Organization, of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose.	IV
93.	Labor dispute		Concerning the association or representation of persons negotiating, fixing, maintaining, changing.	IV
94.	Judicial Review		A court procedure to determine the legality of decisions issued by an arbitrator.	IV
95.	Job action		Concerted activities by employees on the job designed to exert pressure on the employer in resorting to a strike.	IV
96.	Internal disputes plan		A plan implemented by the AFL-CIO for resolving disputes among its affiliated members.	IV
97.	Illegal strike		A strike that is called in violation of the law, such as a strike that ignores "cooling off" restrictions, or a strike that disregards a "no strike" agreement signed by the union or imposed by a court of law.	IV
98.	Handbilling		The distribution of literature on or about an employer's premises, usually by a union.	IV
99.	General strike		A strike action by all or most of the employees in a specific community, city, region or country.	IV
100.	Front-loaded		A term used to describe a labor contract that provides for higher wage increases during the early part of a multiyear agreement.	IV

#### **Unit-V : Welfare Of Special Category of Labour**

101.	Election agreement		Agreement entered into by the agency and the union(s) competing for exclusive recognition dealing with campaign procedures.	V
102.	Deferral		A policy of the National Labor Relations Board (NLRB) not to process unfair labor practice charges if the charge can be filed as a grievance and taken up through an arbitration procedure.	V
103.	Cost of living		The amount of money needed to buy the goods and services required to maintain a	V



			specific standard of living.	
104.	Consultation		Consultation between qualifying unions and agencies concerning agency-wide regulations and qualifying unions and those agencies issuing government wide regulations.	V
105.	Company union		Refers to a union which is located within and run by a company, and is not affiliated with an independent trade union.	V
106.	Formal discussion		A discussion between an agency representative(s) and a bargaining unit employee(s) concerning any grievance or any personnel policy or practice or other condition of employment which affects bargaining unit employees.	V
107.	Grievance procedure		The process and guidelines to be followed by employees, management or the union when resolving differences or conflicts.	V
108.	Illegal strike		A strike that is called in violation of the law, such as a strike that ignores "cooling off" restrictions, or a strike that disregards a "no strike" agreement signed by the union or imposed by a court of law.	V
109.	Implementation		A very rare procedure in which an employer imposes its last offer on all terms and conditions of employment.	V
110.	Inflation		An increase in the price of goods and services that is representative of the economy in its entirety.	V
111.	International Labor Organization		A specialized agency of the United Nations that deals with labor issues	V
112.	Job enlargement		A method used to keep workers motivated, the process inv new tasks which are of the same level of skill and respons job.	V
113.	Labor-Management Relations Act		Also referred to as the Taft-Hartley act, establishes control of labor disputes on a new basis by enlarging the National Labor Relations Board	V
114.	Layoff		A term used to describe a temporary or indefinite separation from employment	V
115.	Living wage		A wage rate that is sufficient for a worker and	V

			his or her family to exist comfortably.	
116.	Management right		Clause in a collective bargaining agreement which, generally, describes those areas in which management retains complete authority to act.	V
117.	Monopoly		A persistent market situation where there is only one provider of a particular product or service.	V
118.	National union		The national organization of a labor union	V
119.	Objections to elections		Charges filed with the FLRA contesting election results because of alleged irregularities in the conduct of a representational election	V
120.	Organizing committee		The employees in a non-union shop who are designated to represent their co-workers during the representation campaign	V
121.	Public employment relations board or commission.		An administrative agency that is responsible for providing impartial, efficient and expert resolution of labor-management disputes and interpretation of state labor laws for public employers.	V
122.	Railway Labor Act of 1926		A law that regulates labor relations in the railway and airlines industries, guaranteeing workers in these industries the right to form a union and bargain collectively.	V
123.	Severance pay		A form of short-term salary continuation awarded to employees who are being terminated.	V
124.	Unfair labor practice		Work stoppage called by a union to protest the unfair labor practices of an employer	V
125.	Work stoppage		A work stoppage occurs when employees cease to perform their jobs as a means of showing their support for a specific cause or as a way of voicing a grievance.	V
<b>General Questions</b>				
126.	What is industrial relations?		Industrial relations are the relations between employees, employers, government and trade unions within the organizational structure.	
127.	Parties involved in IR		<ul style="list-style-type: none"> <li>• Employers</li> <li>• Employees</li> </ul>	

	system?		<ul style="list-style-type: none"> <li>• Government</li> </ul>	
128.	Important to have an IR?		<ul style="list-style-type: none"> <li>- To ensure that the workers are not over powered and used by the employer.</li> <li>- To ensure that the workers do not blackmail the employers with unnecessary demand leading to a loss of production.</li> </ul>	
129.	Benefits of IR?		<ul style="list-style-type: none"> <li>-Continuous production</li> <li>- Continuous employment for all</li> </ul>	
130.	Main objectives of IR?		<ul style="list-style-type: none"> <li>- To protect the interest of employees and employers by building up a congenial relationship.</li> <li>- To avoid the human conflicts which can harm the business, the employees and the economic growth of the country.</li> </ul>	
131.	IR from employer point of view		The unitary approach believes that the employees and employers share the same objectives, interests and purposes.	
132.	Explain the unitary perspective of IR?		<ul style="list-style-type: none"> <li>- The purpose of a union is to act as a means of better communication between all the parties.</li> <li>- All the parties should focus on good relationships and good working terms and conditions</li> </ul>	
133.	perspective of IR system?		<ul style="list-style-type: none"> <li>- It sees the conflicts over distribution of profits as normal and unavoidable.</li> <li>- It believes that the role of management is more of persuading and co-ordinating</li> </ul>	
134.	Marxist perspective of IR system?		<ul style="list-style-type: none"> <li>- The focus of Marxist perspective of IR system is on fundamental division of interest between capital and labour.</li> <li>- It assumes that the conflict at work place is a reflection of conflict in the society.</li> </ul>	
135.	Different types of activities collective bargaining?		<ol style="list-style-type: none"> <li>1.Distributive bargaining.</li> <li>2.Integrative bargaining .</li> <li>3.Attitudinal restructuring.</li> <li>4.Intra-organizational bargaining.</li> </ol>	

136.	Features of collective bargaining?		<p>- It is a group process involving at least two parties.</p> <p>- It is a process of negotiations through mutual discussions and compromise.</p>	
137.	steps of collective bargaining?		<ul style="list-style-type: none"> <li>• Preparatory</li> <li>• Discussion</li> <li>• Proposal</li> <li>• Settlement</li> </ul>	
138.	Explain CBA		Collective Bargaining Agreement is the result of collective bargaining procedure.	
139.	Importance of collective bargaining to employees?		<p>- It increases the strength of employees as a group.</p> <p>- It helps in boosting their self respect and level of motivation</p>	
140.	Importance of collective bargaining to employers?		<p>It's easier for management to deal with group issues rather than individual issues</p> <p>-It leads to an increase in the level of trust among employees and employers benefiting the overall business</p>	
141.	Three levels at which collective bargaining		<p>i.) National level</p> <p>ii.) Sector/ Industry level</p> <p>iii.) Company level</p>	
142.	Why are trade unions formed?		<p>- Trade unions are formed to protect their members from the exploitation by their employers.</p> <p>- They negotiate with the management the issues affecting the employees working in the organization.</p>	
143.	Classify and explain the functions performed by trade unions		<p>i.) Militant Functions</p> <p>ii.) Fraternal Functions</p>	
144.	Factors motivate employees to join trade union		<p>i.) Increase in bargaining power</p> <p>ii.) Lesser discrimination</p> <p>iii.) Higher sense of security and belongingness</p>	
145.	Trade union organizations existing in		ITUC - All India Trade Union Congress	

	India?		ii.) BMS - Bhartiya Mazdoor Sangh iii.) CITU - Centre of Indian Trade Unions	
146.	Classify Indian labour market.		i.) Rural workers ii.) Organized iii.) Unorganized	
147.	Causes of Industrial dispute?		i.) Wages/ Allowance/ Bonus/ Work Load ii.) Leave/ Working hours/ Work conditions	
148.	What is strike?		When workers collectively stop to work in an industry with an intention to make the management agree to their demands, they are said to be on strike.	
149.	Explain Lockouts?		Lock out is a management's tool in which an employer prevents the workers from working. This is a pressure tactic used by the management.	
150.	What measures do you propose to develop congenial Industrial Relations?		i.) Personnel policies acceptable to all – These should be formulated in conjunction with representatives of employees, clearly stated and uniformly implemented across the organization. ii.) Will to sincerely implement the agreements reached together by the management and unions	

DESIGNING YOUR FUTURE

**Faculty Team Prepared**

**Signatures**

P.Manikandan

**HoD**