



# Journey Of Transformation: Industrial Relations To Employee Relations In Andhra Pradesh's Manufacturing Industry

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## ARTICLE INFO

## ABSTRACT

This study delves into the evolving landscape of industrial relations within the manufacturing sector of Andhra Pradesh, focusing on the shift towards a more employee-centric approach. Historically, industrial relations were characterized by a transactional relationship between employers and workers, often marked by conflict and negotiation. However, with the advent of globalization, technological advancements, and changing workforce expectations, there has been a significant transformation in how organizations engage with their employees. The research aims to explore the factors driving this shift from traditional industrial relations to modern employee relations, emphasizing the role of management practices, labor laws, and employee engagement strategies. Through a comprehensive analysis of manufacturing industries in Andhra Pradesh, the study highlights the critical role of employee relations in fostering a positive organizational climate, enhancing productivity, and ensuring sustainable growth. Key findings reveal that organizations adopting proactive employee relations strategies experience lower conflict rates, higher employee satisfaction, and improved operational efficiency. The study also identifies challenges faced by industries in implementing these strategies and provides recommendations for fostering a more harmonious and collaborative work environment. This research contributes to the existing body of knowledge by offering insights into the practical implications of transitioning from industrial relations to employee relations in the context of Andhra Pradesh's manufacturing sector.

**Key words :** Industrial Relations Practices, Employee Satisfaction, Manufacturing Industrial Sector, Andhra Pradesh.

## INTRODUCTION :

The manufacturing industry has long been a cornerstone of economic development, serving as a critical engine for employment and innovation. In India, particularly in the state of Andhra Pradesh, the manufacturing sector has played a significant role in the regional economy, contributing to both growth and industrialization. Traditionally, the interaction between employers and employees within this sector has been governed by the principles of industrial relations, a framework primarily focused on managing labor disputes, collective bargaining, and regulatory compliance. However, in recent years, there has been a notable shift from the conventional industrial relations paradigm to a more holistic and inclusive approach known as employee relations. This transformation is not merely a change in terminology but represents a fundamental shift in how organizations perceive and engage with their workforce. The modern approach to employee relations emphasizes collaboration, communication, and mutual respect, fostering a workplace culture where employees are seen as valuable stakeholders rather than just labor resources. This study seeks to explore the dynamics of this transformation within the manufacturing industries of Andhra Pradesh. By examining the factors that have catalyzed the shift from industrial relations to employee relations, this research aims to provide a comprehensive understanding of the implications for organizational effectiveness, employee satisfaction, and overall industry performance. The study will also investigate the challenges faced

by industries during this transition and offer insights into best practices for fostering a positive and productive work environment. The transformation from industrial to employee relations is a reflection of broader socio-economic changes, including globalization, technological advancements, and evolving workforce expectations. As manufacturing industries in Andhra Pradesh navigate these changes, the ability to adapt to a more employee-centric model of relations becomes crucial for sustaining competitiveness and fostering long-term growth. Through this research, we aim to contribute to the ongoing discourse on the evolution of workplace dynamics and offer practical recommendations for organizations seeking to enhance their employee relations strategies.

### **LITERATURE REVIEW :**

The transformation from industrial relations to employee relations in the manufacturing sector has garnered significant academic and practical interest over the years. Historically, industrial relations (IR) have been rooted in the conflict-resolution framework, where the relationship between employers and employees was largely adversarial, with a strong emphasis on collective bargaining, trade unionism, and the role of labor laws (Dunlop, 1958). The focus was primarily on managing disputes, negotiating wages, and ensuring compliance with regulatory frameworks. In the Indian context, industrial relations have played a crucial role in shaping the manufacturing sector. Studies by Bhattacharya (2011) and Sinha (2004) highlight how the industrial relations system in India has evolved through various phases, influenced by economic policies, labor movements, and legislative changes. These studies emphasize that while IR has been effective in maintaining labor peace, it often led to rigidities that stifled innovation and adaptability within organizations. The shift towards employee relations (ER), however, represents a significant departure from the traditional IR framework. Employee relations are characterized by a more collaborative and integrative approach, where the emphasis is on fostering a positive organizational culture, enhancing communication, and promoting employee engagement (Guest, 1987). The ER model views employees as key stakeholders and partners in the organizational success, rather than merely as factors of production. Kaufman (2004) and Gennard & Judge (2005) discuss the global trends that have driven the transition from IR to ER, including globalization, technological advancements, and changing workforce demographics. They argue that the increasing complexity of work environments and the rise of knowledge-based industries have necessitated a more nuanced approach to managing people. This shift has been accompanied by a decline in union influence and the rise of human resource management (HRM) practices that prioritize individual employee needs and aspirations. In the context of Andhra Pradesh's manufacturing sector, the transition from IR to ER reflects broader socio-economic changes. Studies by Ramaswamy (2000) and Agarwal (2013) indicate that the liberalization of the Indian economy in the 1990s, coupled with the integration of global markets, has had a profound impact on labor relations in the state. The need for greater flexibility, competitiveness, and innovation has pushed organizations to adopt more employee-centric approaches, moving away from the confrontational practices of the past. Recent research by Patel and Desai (2017) specifically highlights how manufacturing firms in Andhra Pradesh are increasingly focusing on employee relations to drive productivity and innovation. Their work suggests that firms that adopt comprehensive ER strategies—such as regular communication, employee development programs, and participatory decision-making—are better positioned to achieve long-term success. However, the transition is not without challenges. The studies by Bhowmik (2015) and Srivastava (2018) underline the difficulties that organizations face in shifting from an IR to an ER model. These include resistance from traditional unions, the need for managerial training, and the development of new policies and practices that align with an employee-centric approach. In conclusion, the literature underscores that the transformation from industrial relations to employee relations is a complex and multifaceted process. While the shift is driven by the need for greater organizational flexibility and employee engagement, it requires a fundamental change in mindset, both at the managerial and employee levels. This review of literature provides a foundation for understanding the current dynamics within Andhra Pradesh's manufacturing sector and sets the stage for further exploration of the factors influencing this transformation.

### **STUDY OF OBJECTIVES :**

1. To appraise Industrial Relations practices & processes in manufacturing industries in Andhra Pradesh
2. To study the practice of industrial organization culture and levels of employee satisfaction
3. To study how contemporary HRM/ Industrial Relations practices have a positive influence on improving employee satisfaction levels.

### **RESEARCH AND METHODOLOGY :**

The target population comprised of 50 people. Random sampling was adopted to select 50 respondents. Data was collected by using a structured questionnaire. The data was analysed using descriptive statistics like frequencies and percentages. The results were presented using a pie-charts. Majority of the respondents also agreed that they had very good transport facility and food provided in canteen has excellent quality. The

study findings indicated that all factors have a large effect on employee satisfaction level and there were many positive responses regarding the industrial relations in manufacturing industries. Regarding work environment, majority of the respondents agreed that their opinion is considered.

### RESEARCH HYPOTHESIS :

In this research we are going to test Hypothesis that

H<sub>0</sub>: There is no significance difference between Industrial Relation and Employee Job Satisfaction.

H<sub>1</sub>: There is significance difference between Industrial Relation and Employee Job Satisfaction.

### RESEARCH DESIGN :

The Research design is the blue print for the fulfilment of objectives and answering questions. It is frame-work which determines the course of action towards the collection and analysis of required data. It is a master plan specifying the method and procedures for collecting and analysing the method information. Descriptive Research is used in this study, as the main aim is to describe characteristics of the phenomenon or a situation.

### THE SOURCES OF DATA INCLUDES :

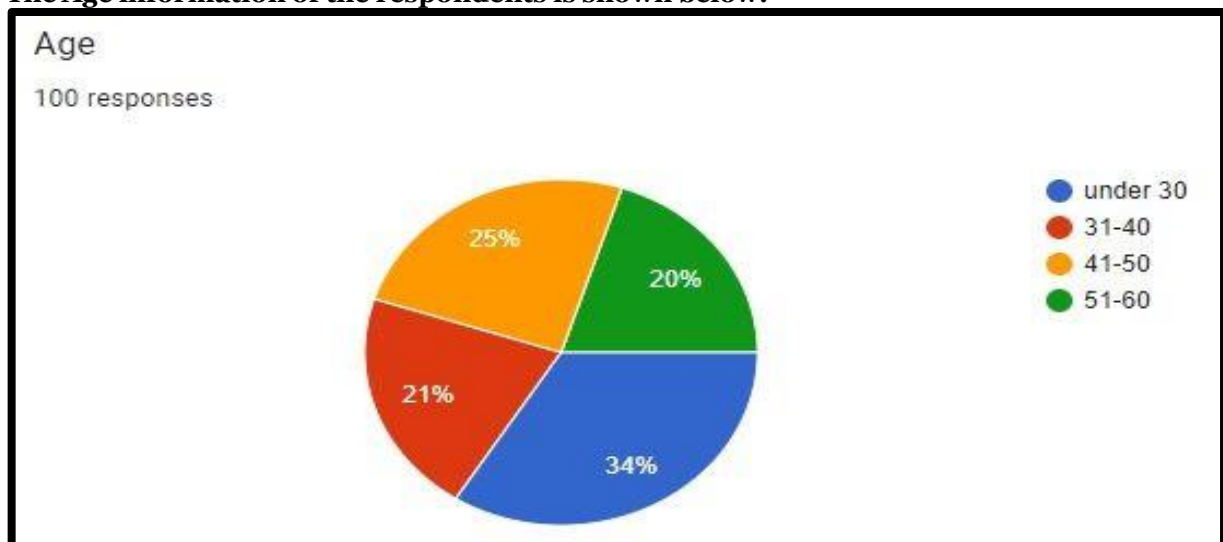
**Primary Data Sources:** Primary Data has been collected directly from sample respondents through questionnaires with the help of interview. The primary data has been collected from the employee. Primary data helps most for the completion of the study by providing full and direct information, which needs some interpretation and analysis, to attain the objectives of the study.

**Secondary Data Sources:** Secondary data sources are those which has already been used and kept as records like website of company, manuals report etc. This secondary data has been collected from various sources such as books, journals, magazines, and sites. Although the data collected or gathered from these sources neither participate directly in the analysis nor influence the outcomes. This forms a basis for an effective approach in making a report of what has been studied. This data forms a part of the report and facilitates to acquire pre-requisite knowledge regarding the study under consideration.

### DATA ANALYSIS :

**Demographic Distribution:** This section presents information on demographic or personal details of the respondents. It shows their gender, age, function, and period they have been engaged with Siemens.

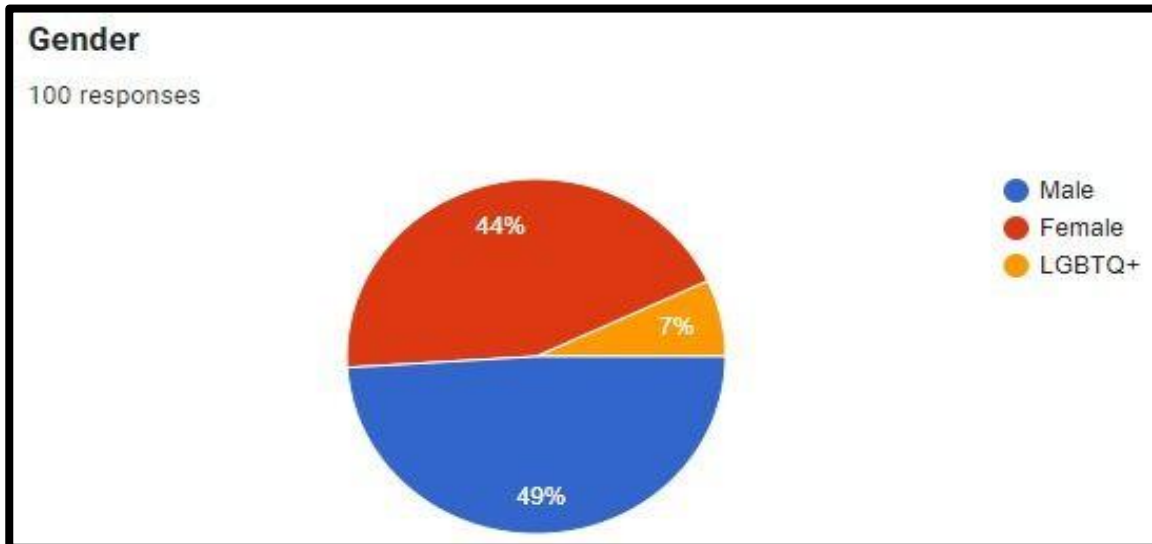
#### A. The Age information of the respondents is shown below:



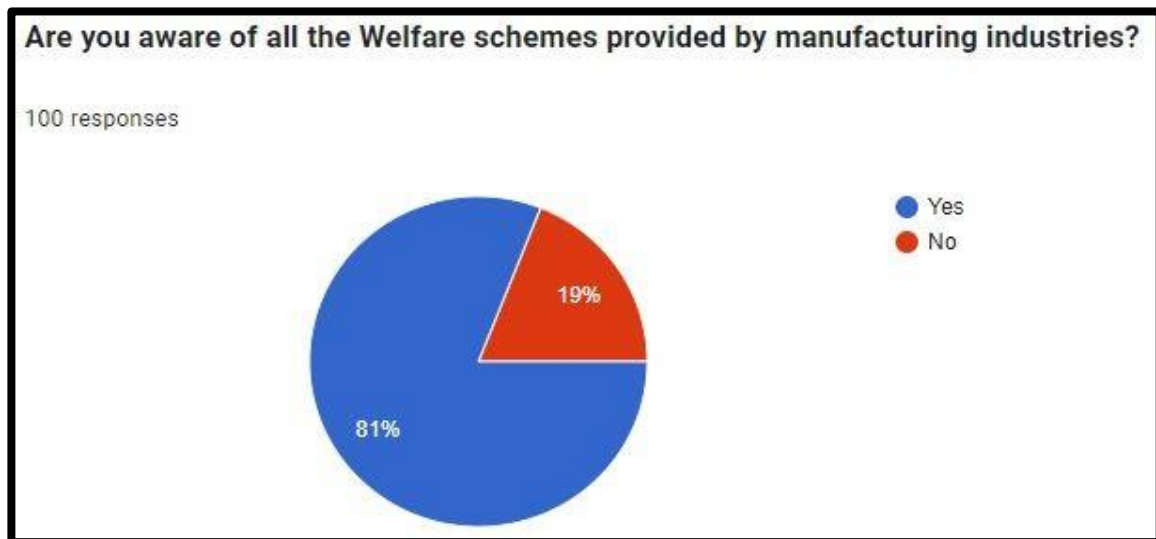
The total respondents were 100 out of which 34% of the respondents are under 30 years of age, 21% of the respondents are between age group of 31 to 40, 25% of the respondents are between the age group of 41 to 50. 20% of the respondents are between the age group of 51 to 60.

#### Gender

The Gender information of the respondents is shown below:

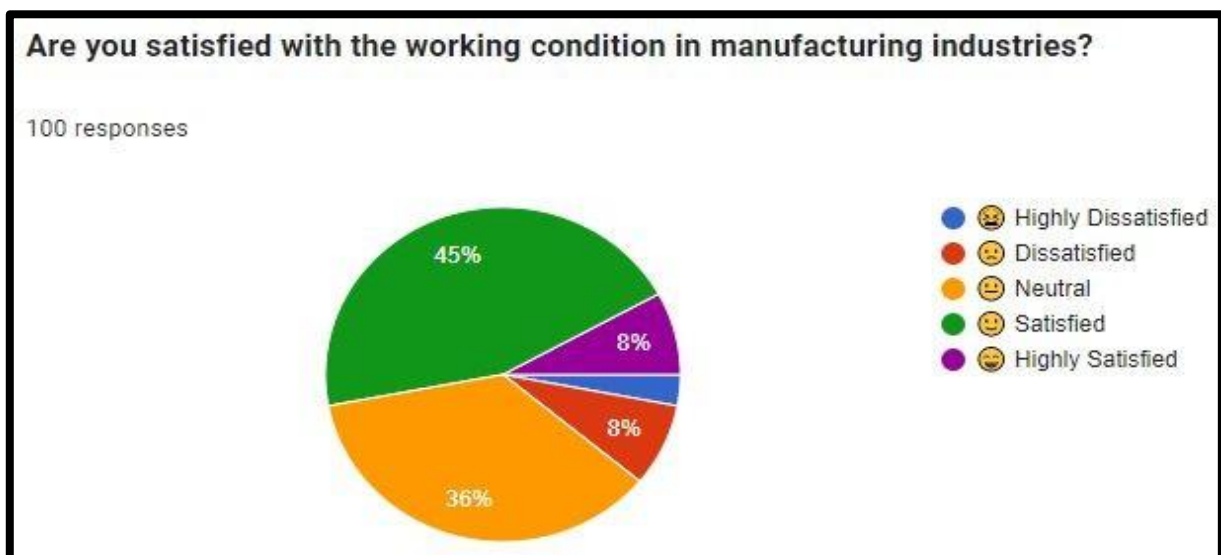


The total respondents were 100 out of which 49% are Male, 44% are Female and 7% LGBTQ+ respondents.



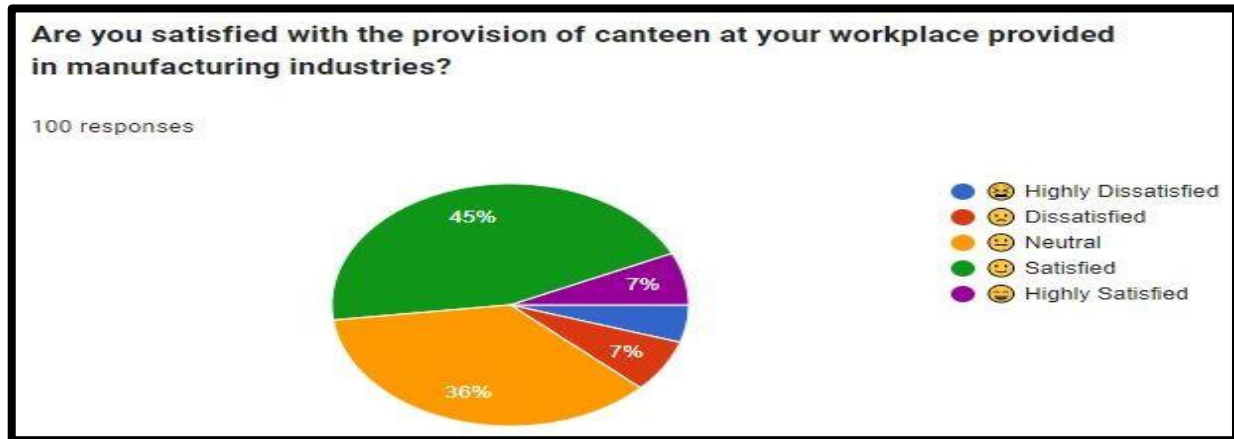
**Interpretation:**

From the above pie diagram, we can see that 81% of respondents are aware of all the welfare scheme provided by manufacturing industries. While 19% of the respondents are not aware of all the welfare scheme. Hence, we can say that majority of the respondents are aware of all the welfare scheme provided by manufacturing industries.

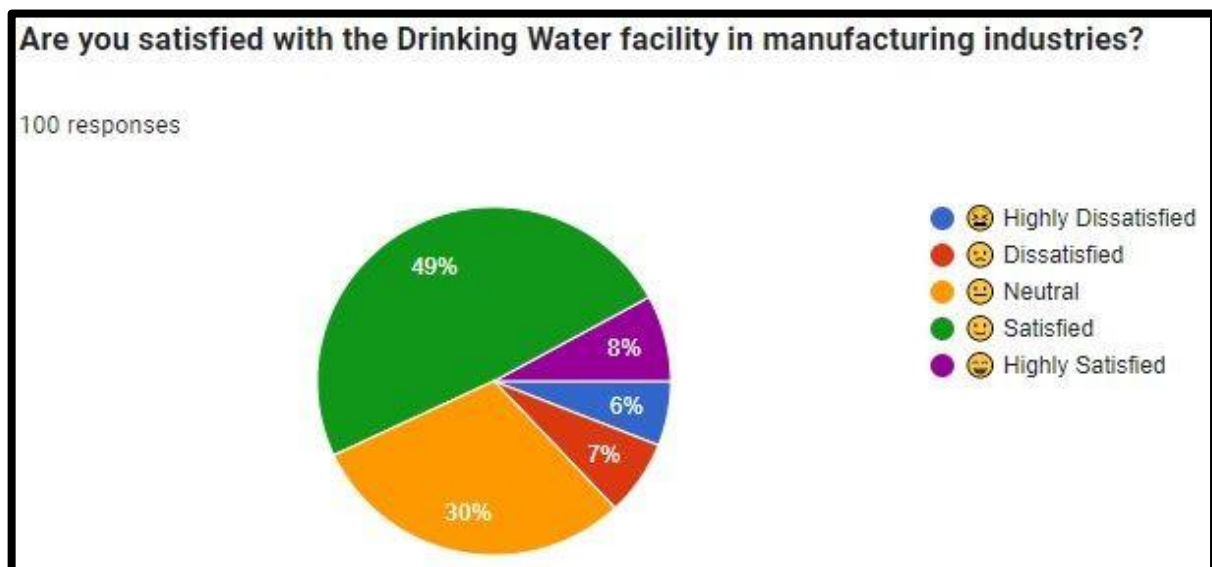


**Interpretation:**

From the above pie diagram, we can see that 45% of respondents are satisfied with the working condition. While 8% of the respondents are highly satisfied and rest 36% of the respondents were neutral regarding the satisfaction of working condition and 8% were dissatisfied 2-3% were highly dissatisfied with working condition in manufacturing industries. Hence, we can say that majority of the respondents are satisfied with the working condition in manufacturing industries.

**Interpretation:**

From the above pie diagram, we can see that 37% of respondents are satisfied with the provision of restrooms at their workplace provided by manufacturing industries. While 9% of the respondents are highly satisfied and rest 41% of the respondents were neutral also 11% were dissatisfied regarding the satisfaction of restrooms at their workplace provided in manufacturing industries. Hence, we can say that majority of the respondents are satisfied with the provision of restrooms at their workplace provided by manufacturing industries.

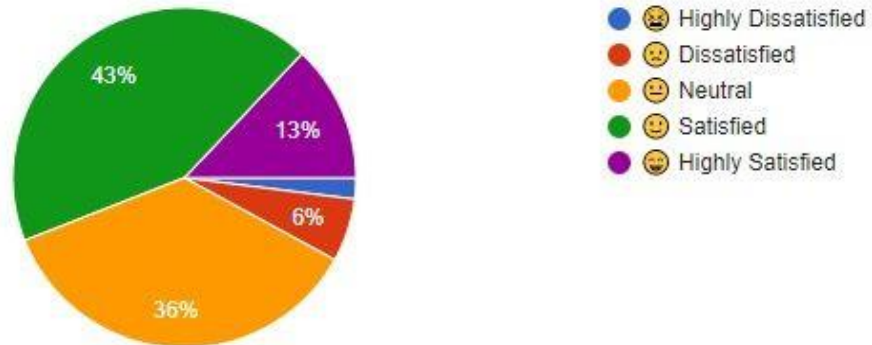
**Interpretation:**

From the above pie diagram, we can see that 49% of respondents are satisfied with the drinking water facility. While 8% of the respondents are highly satisfied and rest 30% of the respondents were neutral, 6% were highly dissatisfied and 7% were dissatisfied regarding the drinking water facility provided in manufacturing industries. Hence, we can say that majority of the respondents are satisfied with the provision of drinking water facility.



### Are you satisfied with the medical benefits, policies and facilities provided in manufacturing industries?

100 responses

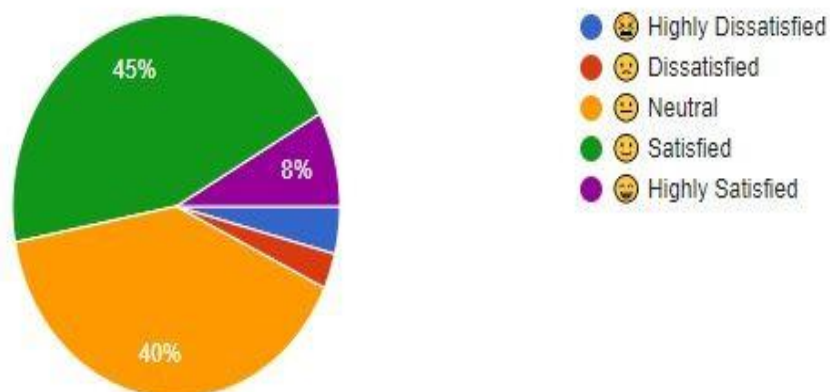


#### Interpretation:

From the above pie diagram, we can see that 43% of respondents are satisfied with the medical benefits, policies and facilities provided in manufacturing industries. While 13% of the respondents are highly satisfied, 6% were dissatisfied and rest 36% of the respondents were neutral regarding the satisfaction of medical benefits, policies and facilities provided by manufacturing industries. Hence, we can say that majority of the respondents are satisfied with the medical benefits, policies and facilities provided by manufacturing industries.

### Are you satisfied with the transport facilities provided in manufacturing industries?

100 responses

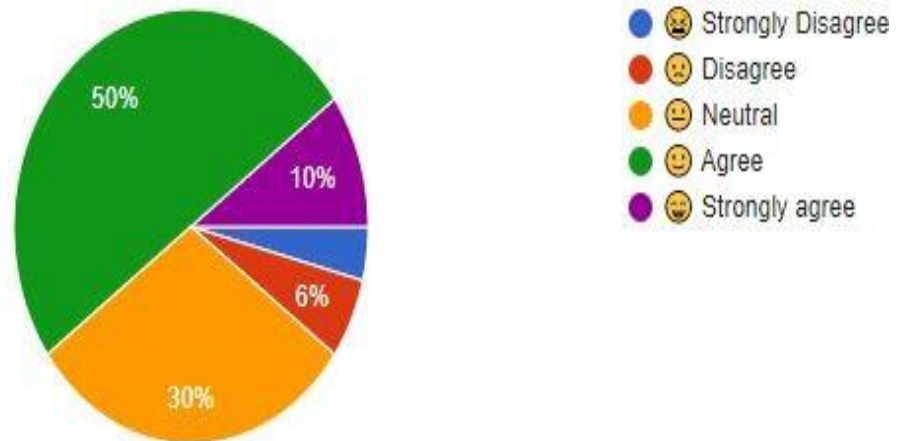


#### Interpretation:

From the above pie diagram, we can see that 45% of respondents are satisfied with the transport facilities provided in manufacturing industries. While 8% of the respondents are highly satisfied and rest 40% of the respondents were neutral also 4-5% of respondents were dissatisfied or high dissatisfied regarding the satisfaction of transportation facilities provided by manufacturing industries. Hence, we can say that majority of the respondents are satisfied with the transport facilities provided in manufacturing industries.

### I am satisfied with my overall compensation.

100 responses

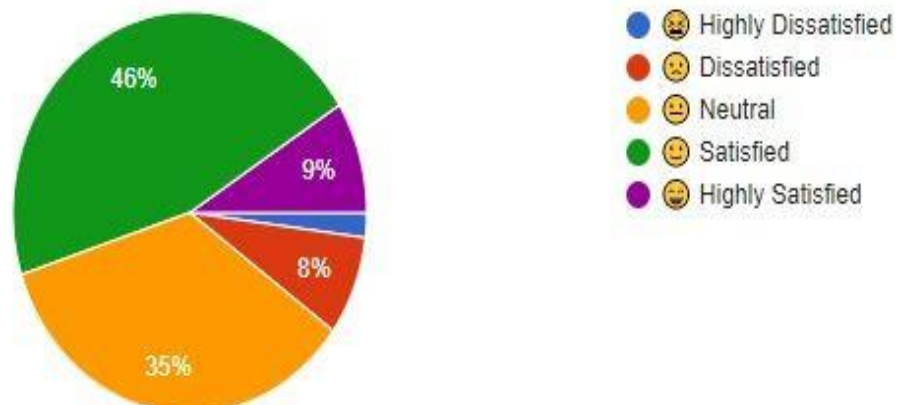


#### Interpretation:

From the above pie diagram, we can see that 50% of respondents are satisfied with overall compensation in manufacturing industries. While 10% of the respondents are highly satisfied and rest 30% of the respondents were neutral, 6% were dissatisfied regarding the satisfaction of overall compensation in manufacturing industries. Hence, we can say that majority of the respondents are satisfied with overall compensation in manufacturing industries.

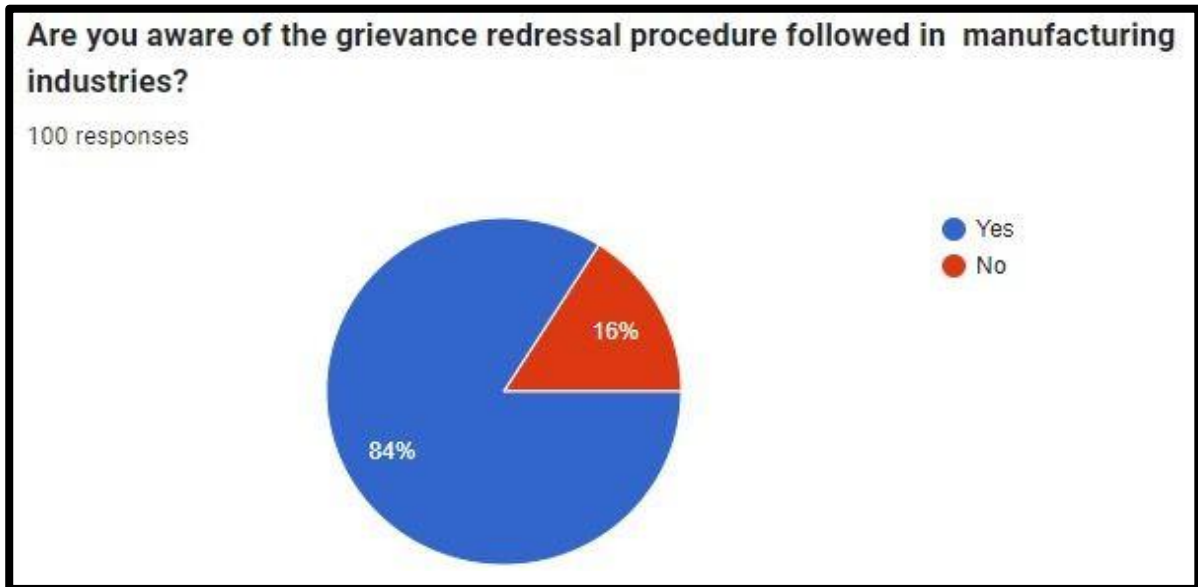
### Are you satisfied with the components of variable pay provided in manufacturing industries?

100 responses



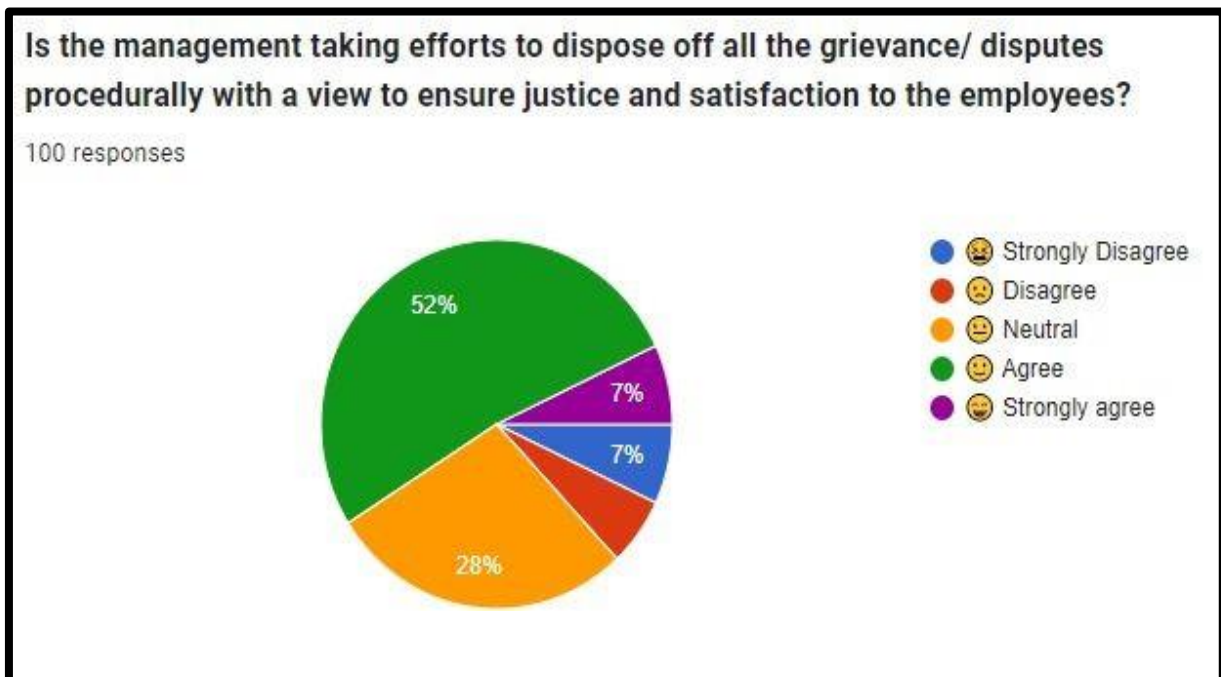
#### Interpretation:

From the above pie diagram, we can see that 46% of respondents are satisfied with the components of variable pay provided in manufacturing industries. While 9% of the respondents are highly satisfied and rest 35% of the respondents were neutral, 8% were dissatisfied regarding the satisfaction with the components of variable pay provided in manufacturing industries. Hence, we can say that majority of the respondents are satisfied with the components of variable pay provided in manufacturing industries.



**Interpretation:**

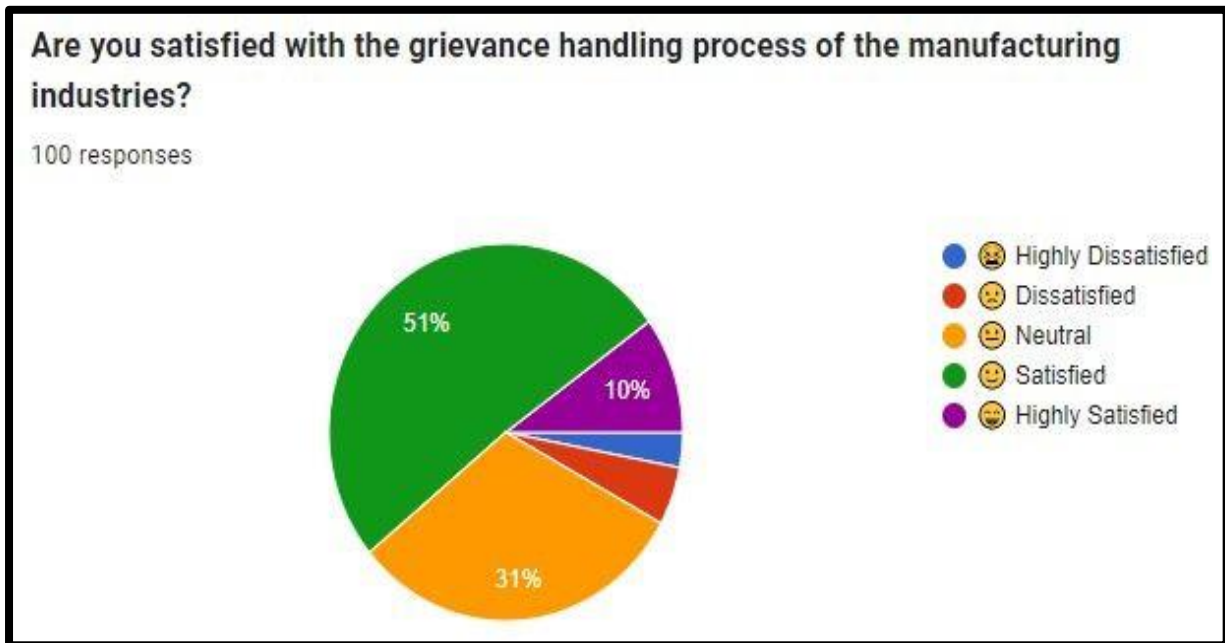
From the above pie diagram, we can see that 84% of respondents are aware of the grievance redressal procedure followed in manufacturing industries. While 16% of the respondents are not aware of the grievance redressal procedure followed in manufacturing industries. Hence, we can say that majority of the respondents are aware of the grievance redressal procedure followed in manufacturing industries.



**Interpretation:**

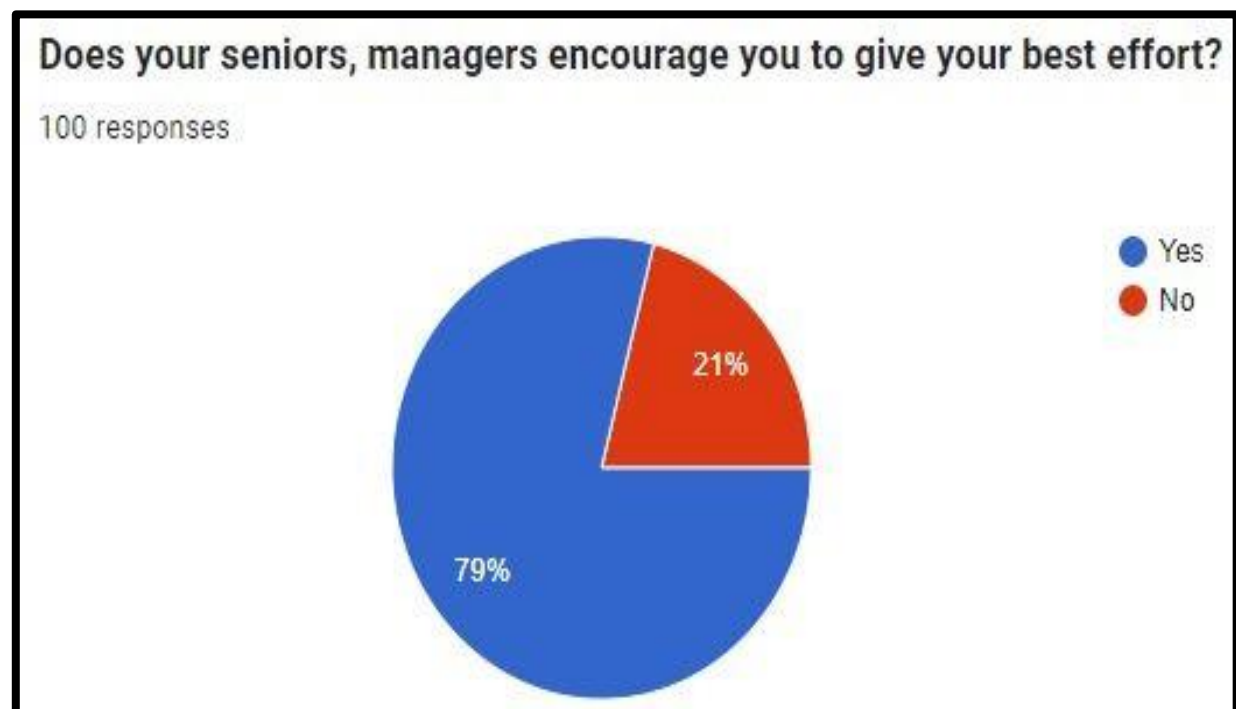
From the above pie diagram, we can see that 52% of respondents were agreed that the management taking efforts to dispose of all the grievance/disputes procedurally with a view to ensure justice and satisfaction to the employee in manufacturing industries. While 28% of the respondents were neutral that the management taking efforts to dispose off all the grievance/disputes procedurally with a view to ensure justice and satisfaction to the employee in manufacturing industries and 7% were strongly agreed, 7% strongly disagree that in manufacturing industries the management taking efforts to dispose off all the grievance/disputes procedurally with a view to ensure justice and satisfaction to the employee. Hence, we can say that majority of the respondents agreed that in manufacturing industries the management taking efforts to dispose off all the grievance/disputes procedurally with a view to ensure justice and satisfaction to the employee.





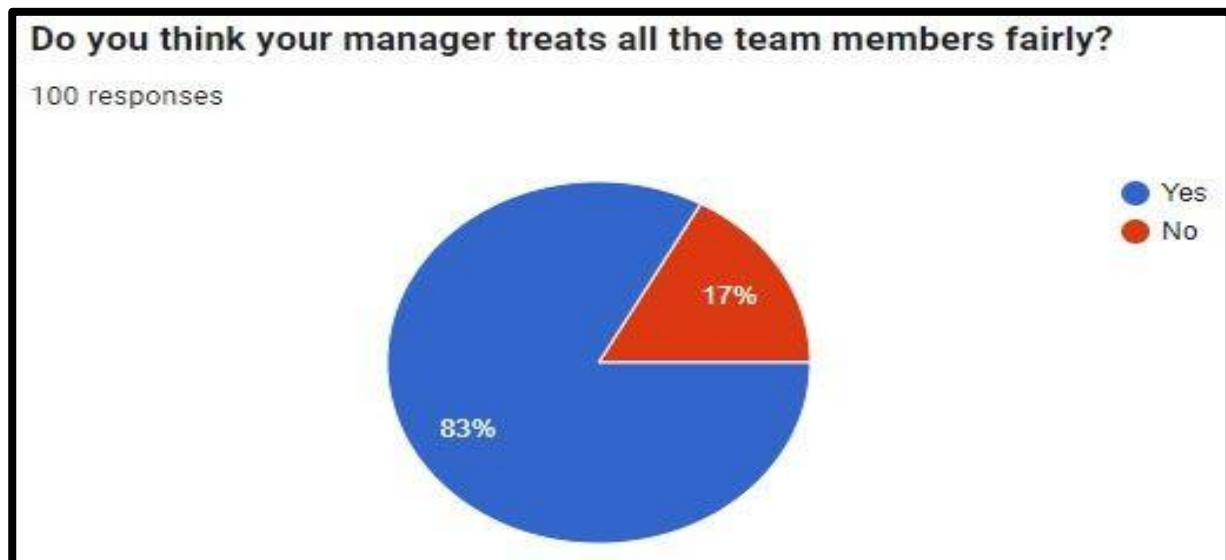
**Interpretation:**

From the above pie diagram, we can see that 51% of respondents are satisfied with the grievance handling process of manufacturing industries. While 10% of the respondents are highly satisfied and rest 31% of the respondents were neutral, 3-5% were dissatisfied regarding the satisfaction of grievance handling process of manufacturing industries. Hence, we can say that majority of the respondents are satisfied with the grievance handling process of manufacturing industries.



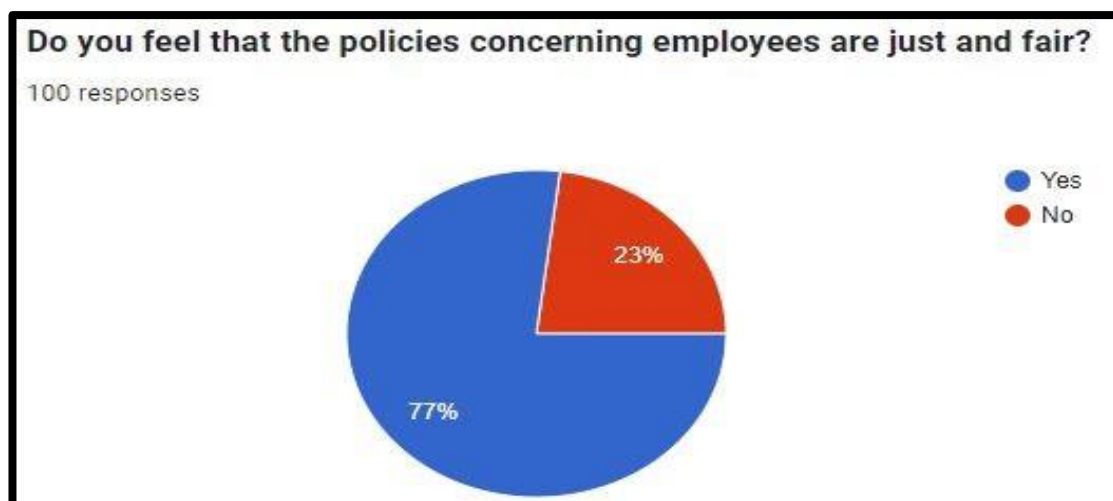
**Interpretation:**

From the above pie diagram, we can see that 79% of respondents agree that their seniors, managers encourage them to give their best effort. While 21% of the respondents does not feel that seniors, manages encourage them to give their best. Hence, we can say that majority of the respondents agree that their seniors, managers encourage them to give their best effort.



#### Interpretation:

From the above pie diagram, we can see that 83% of respondents agree that their manager treats all the team members fairly. While 17% of the respondents does not agree that their manager treats all the team members fairly. Hence, we can say that majority of the respondents agree that their manager treats all the team members fairly.



#### Interpretation:

From the above pie diagram, we can see that 77% of respondents agree that the policies concerning employee are just and fair. While 23% of the respondents does not agree that the policies concerning employee are just and fair. Hence, we can say that majority of the respondents agree that the policies concerning employee are just and fair.

#### CONCLUSION:

The journey from industrial relations to employee relations in Andhra Pradesh's manufacturing industry reflects a broader transformation in how organizations engage with their workforce. This shift from a traditional, conflict-centered approach to a more collaborative and employee-centric model is emblematic of the evolving business landscape, driven by globalization, technological advancements, and changing workforce expectations. Through this study, it is evident that the transition to employee relations has brought about significant improvements in organizational culture, employee satisfaction, and overall productivity. Manufacturing firms that have embraced this transformation are better equipped to foster innovation, retain talent, and maintain competitiveness in an increasingly globalized market. However, this journey is not without its challenges. The legacy of industrial relations, characterized by rigid hierarchies and adversarial practices, continues to influence some sectors of the industry. Overcoming these challenges requires a concerted effort from both management and employees to adopt a mindset that values collaboration, transparency, and mutual respect. Organizations must invest in training, communication, and policy development to fully realize the benefits of this shift. The findings of this study highlight the

importance of employee relations as a strategic tool for organizational success. By prioritizing the needs and aspirations of employees, manufacturing firms in Andhra Pradesh can create a more harmonious and productive work environment, ultimately contributing to the sustainable growth of the industry. In the transformation from industrial relations to employee relations represents not just a change in management practices but a fundamental shift in how businesses perceive and value their employees. As the manufacturing industry in Andhra Pradesh continues to evolve, the principles of employee relations will play a crucial role in shaping its future, ensuring that the workforce remains engaged, motivated, and aligned with the goals of the organization.

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