

# **CHAPTER - I**

## **INTRODUCTION**

## 1.1 INTRODUCTION

Conflict is defined as any kind of opposition or antagonistic interaction between two or more parties (Robbins 1978). It can be conceptualized as existing along a continuous range. At one extreme, there is no conflict. At the other extreme is conflict's highest state, described behaviourally as the act of destroying or annihilating the opposing party. All intensities of interpersonal, intra-group and intergroup conflicts would fall somewhere along this continuum.

A conflict exists whenever incompatible activities occur. (Moton Deutsch, 1969). Deutsch distinguishes five types of conflict: intrapersonal (within the self), interpersonal (between individuals), intragroup (within a group), intergroup (between groups), and international (between nations). Differences in belief, interests, values and scarcity of resources create a conflict situation. Joseph A. Litterer (1966) defines conflict as a type of behaviour which occurs when two or more parties are in opposition or in battle as a result of a perceived relative deprivation from the activities of a interacting with another person or group.

'In my civilization, he who is different from me does not impoverish me – he enriches me' (Saint-Exupery 1939). Coser (1956) introduced the conflict perspective into American sociology with his definition of conflict as 'a struggle over values and claims to scarce status, power, and resources in which the aims of the opponents are to neutralize, injure, or eliminate their rivals.' Cross, Names and Beck (1979) define it as "differences between and among individuals". These differences are created by the nature of the conflict, for example, over goals, values, motives, ideas, and resources. Thomas (1976) provides a process definition of conflict – a process that originates when one individual perceives that another party has frustrated or is about to frustrate, some goal or concern of his or hers. Hocker and Wilmot (1985) provide a communication perspective for the term conflict. Conflict is an expressed struggle between at least two interdependent parties who perceive

incompatible goals, scarce rewards, and interference from the other party in achieving their goals”.

Some authors have used loaded expressions to define conflict such as 'breaches in normally expected behaviour'. (Beals and Siegel 1966) 'A breakdown in standard mechanisms of decision-making.' (March & Simon 1958) "A threat to cooperative." (Marek 1966) 'Opposition processes in any of several forms – competition, status, rivalry, bargaining, sabotage, verbal abuse etc.' (Walton 1966) or 'antagonistic struggles' (Cosser 1956)

Much of the literature fails to distinguish between conflict and its antecedent condition. Pondy (1967) suggests this, "the term 'conflict' has been used at one time or another in the literature to describe: 1) antecedent conditions (for example, scarcity of resources, policy differences) of conflictful behaviour, 2) affective states (e.g. stress, tension, hostility, anxiety etc.) of the individuals involved 3) cognitive states of individuals i.e. their perception or awareness of conflictful situations, and 4) conflictful behaviour, ranging from passive resistance to overt aggression.

Chung and Megginism (1981) define conflict as "the struggle between incompatible or opposing needs, wishes, ideas, interests, or people. Conflict arises when individuals or groups encounter goals that both parties cannot obtain satisfactorily"

Conflict is a pervasive phenomenon both within and between groups as well as organisations. It is conceived as a process which begins when one party perceives that some of its concerns have been or are about to be frustrated by another party (Thomas 1975)

Chester, Crowfoot and Bryant (1978) suggest that conflict is a natural condition existing in any multiparty, heterogeneous system. When people with different social background, goals and values need to interact with one another, they are bound to have difference of opinion. According to Roloff (1987), "organisational conflict occurs when members engage in activities that are incompatible with those of colleagues within their

network, members of other collectivities, or unaffiliated individuals who utilize the services or products of the organisation". M. A. Rahim (2002) broadens this definition by conceptualizing conflict as an interaction process manifested in incompatibility, disagreement, or dissonance within or between social entities. (I.e. individual, group, organisation etc.)

S. P. Robbins (1978) defines conflict as processes that begins when one party perceives that another party has negatively affected or is about to negatively affect, something the first party cares about.

Conflict can be thought of as "Overt behaviour arising out of a process in which one unit seeks the advancement of its own interest in its relationship with the other" (Schmidt & Kochan, 1972). Pondy (1967) viewed conflict as a dynamic process consisting of latent, perceive, affective manifest and aftermath stages.

## **1.2 CONFLICT THOUGHTS**

The conflict thought has been developed in three distinct stages. S. P. Robbins (1978) arbitrarily labeled these stages/views as traditional, behavioural and interactionist.

The traditional approach which was prevalent during 19<sup>th</sup> century and continued till mid 1940s, view conflict as destructive, unnecessary and harmful and elimination of the conflict was the primary objective to the management. The presence of conflict in the organisation was a clear signal that there was something wrong with the organisation. Managers who could immediately get rid of the conflicting situation were regarded as the efficient and able managers.

The behavioural approach replaced the traditional view by late 1940s and early 1950s. According to this approach, conflict is inevitable. It has been accepted that conflict is present in all organisation whether we like it or not. Therefore, behaviouralist prescribed 'acceptance of conflict' as part of the corporate life. However, like traditional approach, here also, managing conflict was to resolve it.

S. P. Robbins (1978) suggested the third philosophy – the interactionist view which i) recognizes the necessity of functional conflict ii) explicitly encourages functional opposition iii) defines conflict management to include stimulation as well as resolving techniques and iv) considers the management of conflict as a major responsibility of all managers. According to this approach, a harmonious, peaceful and tranquil organisation cannot cope with the uncertain change in the environment. In order to survive in difficult environment and situation, an organisation should always be ready to experiment and innovate. Adaptation is possible only though change and change is stimulated by conflict. In case of lack of functional conflict in an organisation, ways have to be found out through which conflict can be stimulated.

Table 1.1

### CONFLICT PHILOSOPHIES AND MANAGERIAL ACTIONS

Philosophy	States	Managerial actions
Traditionalist	A=D, where D=0 A>D, where D=0	Do nothing Resolve conflict
Behavioralist	A=D, where D>=0 A=D, where D>=0	Do nothing Resolve conflict
Interactionist	A=D, where D>0 A>D, where D>0 A<D, where D>0	Do nothing Resolve conflict Stimulate conflict

Key: A=actual level of conflict; D= desired level of conflict.

**Source:** Robbins Stephen P., "conflict Management' And "Conflict Resolution" Are Not Synonymous Terms: *California Management Review*, Vol. XXI, No. 2, 1978.

### 1.3 CONFLICT HANDLING TECHNIQUE

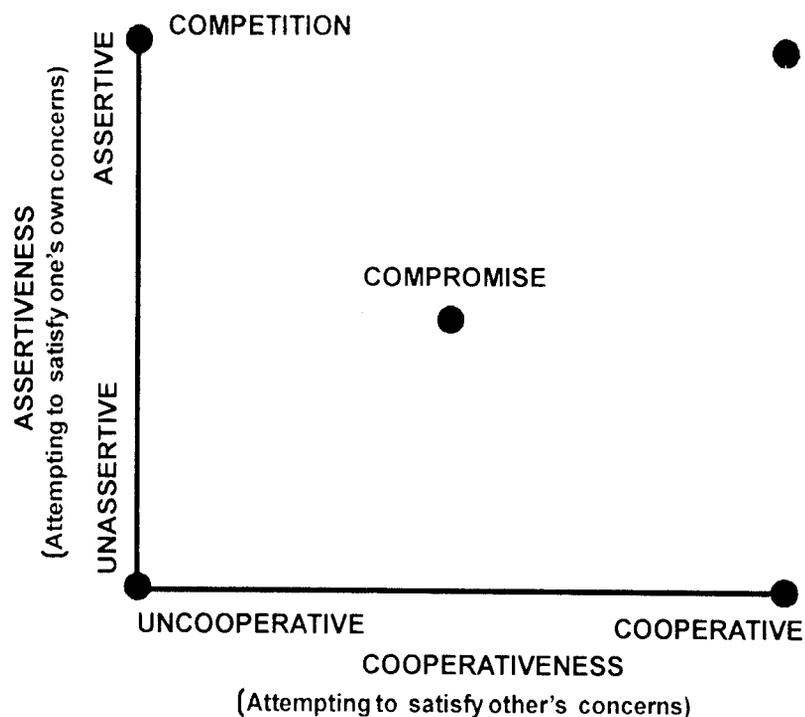
Mary P. Follett (1926/1940) found three main ways of dealing with conflict: domination, compromise and interaction. She also found other ways of handling conflict in organisations, such as avoidance and suppression. Blake and Mouton (1964) identified five conflict handling styles namely,

smoothing, compromising, forcing, withdrawal and problem solving. This model was further developed and extended by Thomas (1976). He incorporated two dimensions namely, cooperativeness and assertiveness in the model developed by Blake and Mouton. According to Thomas (1976), Cooperativeness means intention to satisfy other party's concern and assertiveness means intention to satisfy one's own concerns.

Five behavioural modes are identified in terms of these two dimensions; avoiding (unassertive, uncooperative); competing (assertive, uncooperative); accommodating (unassertive, cooperative); collaborating (assertive, cooperative) and compromising (intermediate in both assertiveness and cooperativeness).

Figure 1.1

#### A TWO-DIMENSIONAL MODEL OF CONFLICT INTENTIONS

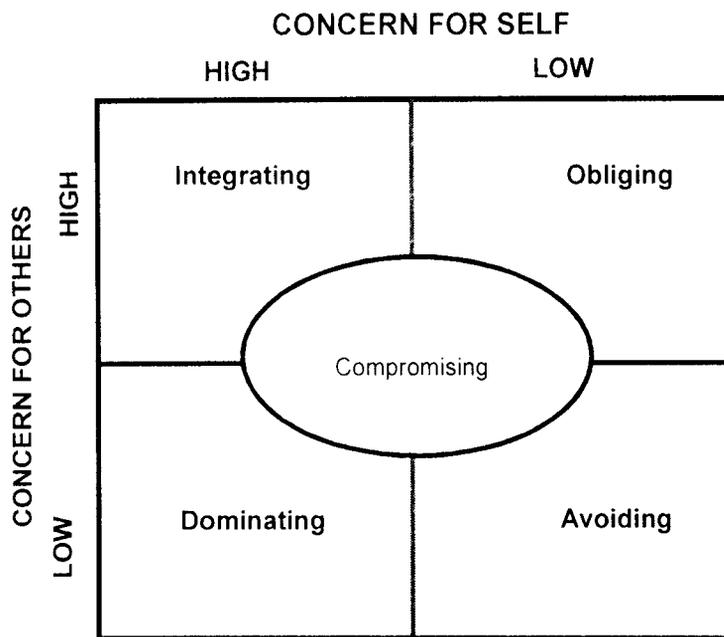


**Source:** Adapted from Kenneth W. Thomas, "conflict and conflict management" in Marvin D. Dunnett, ed., *Handbook of Industrial and Organisational Psychology* (Chicago: Rand-McNally, 1976)

Rahim and Bonowa (1979) differentiated the style of handling conflict on two basic dimensions: concern for self and concern for others. The first dimension explains the degree (high or low) to which a person attempts to satisfy his or her own concern. The second dimension explains the degree (high or low) to which a person attempts to satisfy the concern of others. Combination of the two dimensions results in five specific styles of handling interpersonal conflict, as shown in figure 1.2.

Figure 1.2

**THE DUAL CONCERN MODEL OF THE STYLES OF HANDLING INTERPERSONAL CONFLICT**

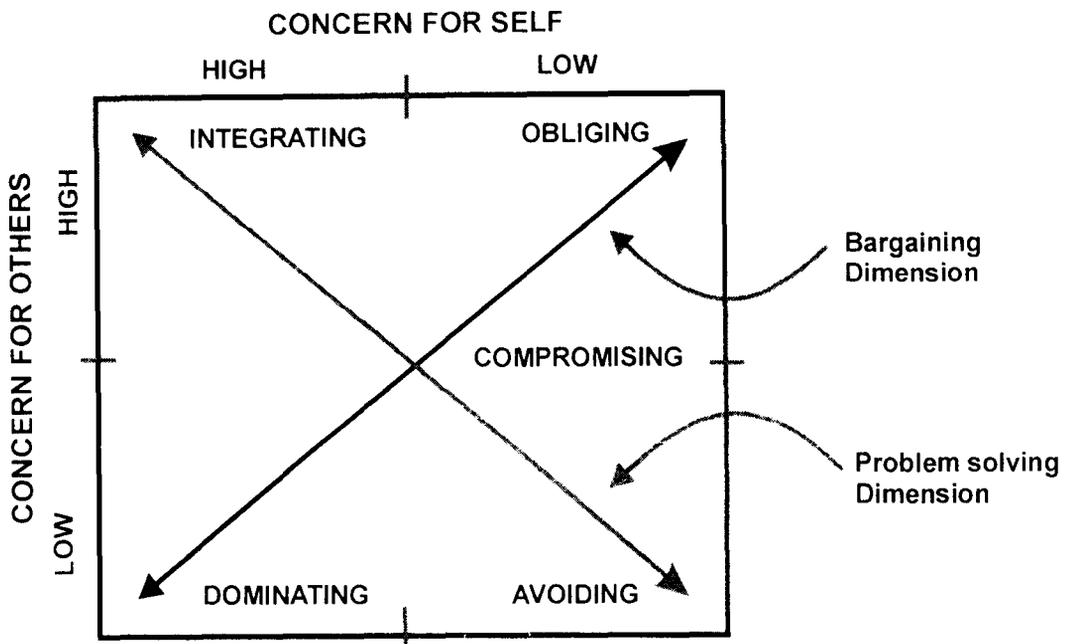


**Source:** Rahim M Afzalur, Toward A Theory Of Managing Organizational Conflict, *The International Journal Of Conflict Management*, vol. 13, No. 3, 217, 2002

It has been suggested by Prein (1976) and Thomas (1976) that further insights into the five styles of handling interpersonal conflict may be obtained by organising them according to the integrative and distributive dimensions of labour-management bargaining suggested by Walton and Mckersic (1965). Figure 1.3 shows the five styles of handling interpersonal conflict and their reclassifications into the integrative and distributive dimensions.

Figure 1.3

**THE DUAL CONCERN MODEL: PROBLEM SOLVING AND  
BARGAINING DIMENSIONS OF THE STYLES OF HANDLING  
INTERPERSONAL CONFLICT**



Source: Rahim M Afzalur, Toward A Theory Of Managing Organizational Conflict, *The International Journal Of Conflict Management*, vol. 13, No. 3, 217, 2002.

The integrative dimension—integrating style minus avoiding style—represents a party's concern (high-low) of self and others. The distributive dimension—dominating style minus obliging style—represents a party's concern (high-low) for self or others. These two dimensions represent the problem solving and bargaining styles for handling conflict, respectively. A problem solving style represents a party's pursuit of own or others concerns. A high-high use of the problem solving style indicates attempts to increase the satisfaction of concerns of both parties by finding unique solutions to the problems acceptable to them. A low-low use of this style indicates reduction of satisfaction of the concerns of both parties as a result of their failure to confront and solve their problems. A high-low use of the bargain style indicates attempts to obtain high satisfaction of concerns of self and providing low satisfaction of concerns of others. A

low-high use of this style indicates attempts to obtain the opposite. Compromising is the point of intersect of the two dimensions, that is, a middle ground position where a party has an intermediate level of concerns for own and others.

Table 1.2

**Styles of handling interpersonal conflict and the situation where they are appropriate or inappropriate**

Conflict style	Situation where appropriate	Situations where inappropriate
<b>Integrating</b>	<ol style="list-style-type: none"> <li>1. issues are complex</li> <li>2. synthesis of ideas is need to come up with better solution</li> <li>3. commitment is needed from other parties for successful implementation</li> <li>4. time is available for problem solving.</li> <li>5. one party alone cannot solve the problem</li> <li>6. resources processed by different parties are needed to solve their common problems</li> </ol>	<ol style="list-style-type: none"> <li>1. task or problem is simple</li> <li>2. immediate decision is required</li> <li>3. other parties are unconcerned about outcome</li> <li>4. other parties do not have problem-solving skills</li> </ol>
<b>Obliging</b>	<ol style="list-style-type: none"> <li>1. you believe that you may be wrong</li> <li>2. issue is more important to the other party</li> <li>3. you are willing to give up something in exchange for something from the other party in the future</li> <li>4. you are dealing from the position of weakness</li> <li>5. preserving relationship is important.</li> </ol>	<ol style="list-style-type: none"> <li>1. issue is important to you</li> <li>2. you believe that you are right</li> <li>3. the other party is wrong or unethical</li> </ol>
<b>Dominating</b>	<ol style="list-style-type: none"> <li>1. issue is trivial.</li> <li>2. speedy decision is needed</li> <li>3. unpopular course of action is implemented</li> <li>4. necessary to overcome assertive subordinates</li> <li>5. unfavorable decision by the other party may be costly to you</li> <li>6. subordinates lack expertise to make technical decisions.</li> <li>7. issue is important to you</li> </ol>	<ol style="list-style-type: none"> <li>1. issue is complex</li> <li>2. issue is no important to you</li> <li>3. both parties are equally powerful</li> <li>4. decision does not have to be made quickly.</li> <li>5. subordinates possess high degree of competence</li> </ol>
<b>Avoiding</b>	<ol style="list-style-type: none"> <li>1. issue is trivial</li> <li>2. potential dysfunctional effect of confronting the other party outweighs benefits of resolution</li> <li>3. cooling off period is needed</li> </ol>	<ol style="list-style-type: none"> <li>1. Issue is important to you</li> <li>2. it is your responsibility to make decision</li> <li>3. parties are unwilling to defer, issue must be resolved.</li> <li>4. prompt attention is needed.</li> </ol>
<b>Compromising</b>	<ol style="list-style-type: none"> <li>1. goals of parties are mutually exclusive</li> <li>2. parties are equally powerful</li> <li>3. consensus cannot be reached</li> <li>4. integrating or dominating style is not successful</li> <li>5. temporary solution to a complex problem is needed</li> </ol>	<ol style="list-style-type: none"> <li>1. one party is more powerful</li> <li>2. problem is complex enough needing problem-solving approach.</li> </ol>

**Source:** Rahim M Afzalur . Toward A Theory Of Managing Organizational Conflict, *The International Journal Of Conflict Management*, Vol. 13, No. 3, 219, 2002.

## 1.4 CONFLICT PROCESS

Louis R. Pondy (1967) has identified five stages of a conflict process. They are i) latent conflict (conditions) ii) perceived conflict (cognition) iii) felt conflict (affect) iv) manifest conflict (behaviour) and v) conflict aftermath (conditions)

### **Latent conflict**

There are three basic types of latent conflict.

a) Competition for scarce resources: The conflicting situation arises when limited resources are sought after by the different groups.

b) Drives for autonomy: It is a human nature to stay independent and when one party tries to control the activities of another party, the conflict emerges. No one wants to stay under the absolute control of another human being.

c) Divergence of subunit goal: Different small groups within every organisation have their own goals to fulfill. However, they should never ignore the larger organisational interest. When different groups in an organisation try to satisfy their own groups' ignoring the larger organisational interest, the conflict situation is bound to emerge within the group.

### **Felt conflict**

There is an important distinction between perceiving conflict and feeling conflict. A person may perceive the conflict but he may not feel about it or he is not affected by it. Louis R. Pondy (1987) explains this concept as follows. **A** may be aware that **B** and **A** are in serious disagreement over some policy, but it may not make **A** tense or anxious, and it may have no effect whatever on **A**'s affection towards **B**.

### **Manifest conflict**

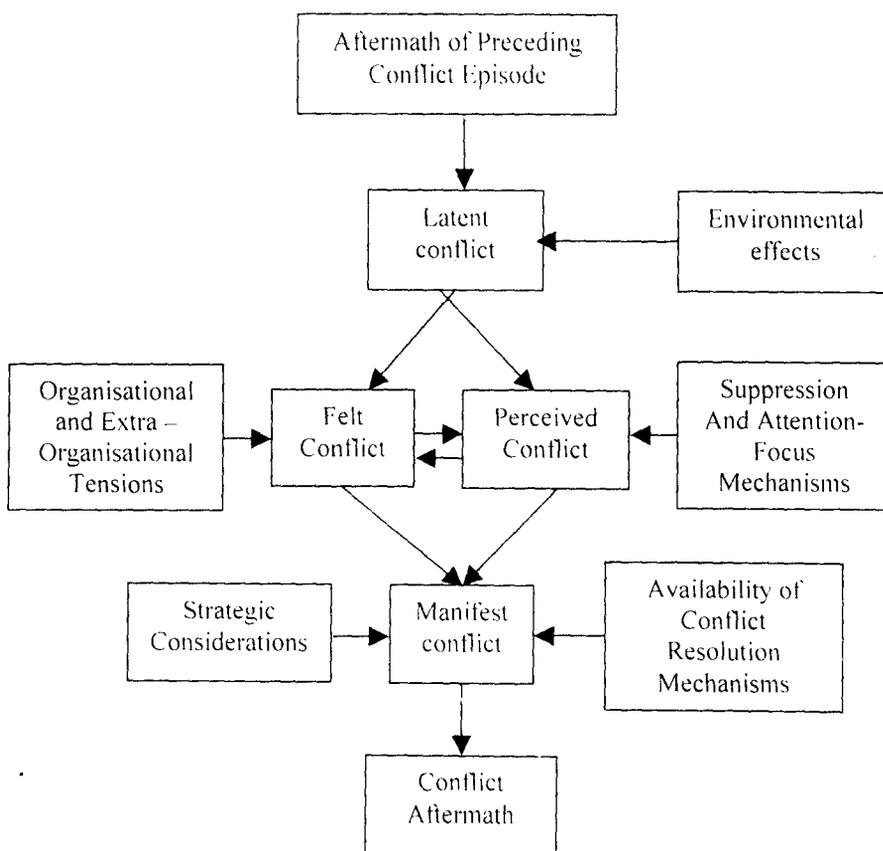
At this stage the conflict come out in open and what type of shape will it take can never be predicted. At one end of the spectrum, conflict can take

the form of minor disagreement or misunderstanding between the parties involved. But on the other end, conflict can take an ugly shape of violence, riots, killing, strike, carnage etc.

The most useful definition of manifest conflict seems to be that behaviour which, in the mind of the actor, frustrates the goal of at least some of the other participant. In other words, a member of the organisation is said to engage in conflictful behaviour if he consciously, but not necessarily deliberately, blocks another member's goal achievement.

Figure 1.4

### THE DYNAMICS OF A CONFLICT EPISODE



**Source:** Pondy Louis R., *Organisational Conflict: Concepts And Models*, *Administrative Science Quarterly*, vol. 12, 1967.

## **Conflict aftermath**

This is a stage where the conflicting parties know the consequences of the conflict. The ultimate outcome of the conflict as to whether the conflict in question helped the organisation to improve its performance and further its goals and objectives or that the organisation's progress and performance is hampered because of this conflict.

According to S P. Robbins (1978) if the organisation's performance is improved because of the conflict, then we can say that the conflict is functional. On the other hand, if the conflict resulted in bring the performance down then the conflict is dysfunctional.

## **1.5 STATEMENT OF THE PROBLEM**

Tea is the most important plantation crop in India. It occupies the first place among the tea producing countries in the world in the matter of both area and production of tea. It is the largest employer in the organised production sector employing about a million workers. It plays an important role in the country's economy by contributing substantial revenues to the central and state government's exchequers. It is also an export oriented industry being the nation's second biggest foreign exchange earner.

In India, after independence, the Govt extended most of the laws protecting industrial workers (such as Industrial Disputes Act, Minimum Wages Act) to the plantations and even passed a separate Act known as the Plantation Labour Act 1951(PLA). The Plantation Labour Act 1951 was passed in parliament and made lots of provisions for the safety, welfare and health of the workers who have been living in deplorable condition. Most of the tea gardens workers who have been migrated from Nepal and other states are not provided even the basic amenities to eke out a survival.

The PLA requires the plantation owners to provide for i) housing for workers and their family residing on estates ii) free medical aid iii) educational facilities iv) weather protectives, like umbrellas, blankets, v)

recreational facilities vi) crèches, vii) canteens etc. There has been gross violation of plantation labour law by the tea garden management. The workers are deprived of the basic amenities like drinking water, housing, health, education etc. The poverty, illiteracy, abysmal living conditions and deliberate exploitation of thousands of tea workers are the reality. Despite trade unions and social organisations being active, labour laws are openly flouted. The main problem before the worker is of ensuring that these acts are enforced properly.

Most of the tea gardens are situated in the remote areas with few inhabitants. The tea garden workers work in the most hostile of environment and yet their wages are the lowest in the organised sector. Unlike in any other 'organised' industry, tea plantations consider family as the unit of wage determination. The plantation industry determines the wages for tea plantation workers on the basis of 1.5 consumption units on the belief that each family has more than one working member in the industry. The Royal Commission on Labour in India (1931) and the Central Wage Board for Tea Plantation Industry (1966) were critical of utilizing 'the family system of employment' to give low wages to workers. With the daily wages of Rs. 48.40 and no wages for Sundays and holidays, even the survival becomes a challenge to a worker.

There is a general perception among the workers that the owners of tea gardens are driven by the profit motives only. The measures like labour welfares, pumping part of the profits into improving the estates are not looked into. The tea garden owners look for short-term profits with no vision for the future. These perceptions of the workers create an unhealthy environment and breed conflict between the workers and the management. Even the rights, which are conferred to the workers by the Act of the parliament, are flouted by the owners to further their own interests.

Before 1999 when the tea industry was performing exceedingly well, the super profits earned by the gardens were neither ploughed back to industry nor welfare measures for workers as per the PLA was fully

implemented. And now when the owners are speaking about crisis in tea industry, the workers are not ready to believe them. The lack of transparency in the functioning of the garden has created suspicion in the minds of the workers.

When conflict situation arises in the tea garden, many a times, instead of managing the trouble, management simply abandon the garden without brothing about the workers and their families. Ever minor incident of personal nature brings closure of garden adversely affecting the life of hundred of workers and their families.

The Govt of West Bengal has been taking forceful and meaningful step in the solving the problem prevailing in the tea industry. It had set up a high power committee in 2003 to look in depth the reasons for the present crisis in the tea industry. The conflict situation in the tea industry to a larger extend would improve if the crisis is understood and tackled properly.

Since most of the tea plantations are enclaves, cut away from the mainstream, there are no alternative sources of income for the workers. Moreover, the plantation workers do not have access to any land, which can be utilized for cultivation or the rearing of cattle. The situation denies any alternative income generation for household in the plantations.

According to S. P. Robbins, all conflicts exist in a continuum, where at the lower end of the continuum there is a mild or controlled form of tension. A tea garden worker expressing dissatisfaction to his/her supervisor or manager about a work process is a case in point. But as the conflict intensifies, it starts to move upward along the continuum until it reaches an extreme where the conflict takes a dreadful form of killing, destruction, physical assault, strikes and lockouts. Few examples of conflict that has taken an ugly shape of violence, physical assault and killing are mentioned in the following paragraphs.

An assistant manager of Okayti Tea estate of Darjeeling region was attacked with a sharp knife and critically injured in October 2004. He had 12 injury marks on his body. In November 2003, a mob of infuriated tea

garden workers at Dalgoan tea estate of Dooars torched the house of their union leader, killing 19 people who were trapped inside the blazing house. It was alleged by the workers that the union leader had sold three clerical post of the garden to outsiders though there were enough eligible local candidates. An assistant manager of Ambootia tea estate of Darjeeling region was hacked to death by one of his own workers. The assistant manager blamed this worker for damaging the factory equipment. The management of Nepuchapur Tea Estate in Dooars announced suspension of work following the physical attack on garden's managerial staff by workers demanding local recruitment in June 2004.

Ging tea garden situated in the outskirts of Darjeeling was closed in July 2004 after a group of non-workers and workers assaulted the manager and the factory assistant during a meeting. They even ransacked the office of the manager.

The senior managers in most organisations praise and regard managers who maintain peace and harmony in their units, while disequilibrium, confrontation, and dissatisfaction are viewed negatively.

The objective of the manager of an organisation should be to manage the excess level of conflict. The two important conflict management modes, which are frequently used by the top managers of an organisation, are problem-solving method and power-oriented method. In the same conflict situation, the parties may choose to engage power-oriented or problem-solving methods. These are two entirely different methods for dealing with the same situation. Either may be chosen, providing one seeks the availability of both and know how to perform both. Where one wants to defeat an opponent, define the objective from one's own point of view, or seek the exhilaration of the fight, then power-oriented methods may be better choice. On the other hand, where one wants to defeat the problem, arrive at a mutually beneficial outcome, or the emotion of the fight, problem solving may be preferred.

West Bengal is the second largest tea growing state in India. It accounts for 24% of the total area under tea and contributes 21% in the total tea

production in India. The industry in the state has a unique dimension, as it is directly responsible for economic and social development of the two major districts of the states viz: Darjeeling and Jalpaiguri where almost no other economic activities exist.

The major cause of conflict persisting between management and workers in the tea gardens are related to non-implementation of Plantation Labour Act. One of the reasons for poor enforcement and implementation of the various provisions of the PLA is the grossly inadequate administrative infrastructure. The government lacks adequate machinery and manpower to discharge its responsibilities. The tea management virtually go scot-free even after repeated violations of the PLA because, the provisions for prosecution and penalties are not deterrent in nature. The maximum penalty that could be imposed for any offense is only Rs 500. A second prosecution could invite a penalty of Rs 1,000. Hence, tea companies prefer to pay the small penalty of Rs 1,000 rather than spending at least Rs 25,000 for constructing a labour quarter.

Some of the important legislations applicable to tea industries of West Bengal are as follows:

1. Plantation Labour Act, 1951.
2. West Bengal Plantation Labour Rules, 1956.
3. The Factories Act 1948
4. The Workmen's Compensation Act 1923
5. The Employees' State Insurance Act 1948
6. The Employees' Provident Funds (and Miscellaneous Provisional) Act 1952
7. The Payment of Gratuity Act 1972
8. The Maternity Benefit Act 1961
9. The Payment of Wages Act 1936
10. The Minimum Wages Act 1948
11. The Industrial Disputes Act 1947
12. The Trade Union Act 1926
13. The Payment of Bonus Act 1965

Many important policies and methodical changes that are introduced in tea gardens by the management are not properly communicated to the workers. For example, switching over by some of the tea gardens of Darjeeling from traditional tea to bio-organic tea has begun but the benefits of these changes are not fully communicated to the workers. Either the workers when come up with new and brilliant ideas to improve the quality and quantity of tea produces are not listened to or the management simply ignores their ideas. These barriers to communication may lead to conflict.

Groups within organisations have diverse goals. For instance, in tea gardens the garden supervisors and their workers are interested in plucking tea in greater quantity so as to increase their wages and the production of tea. The factory supervisors and their workers however are, more concerned about the quality of tea manufactured in the factory. Where groups within an organisation seek diverse ends like garden supervisors and factory supervisors, there are increased opportunities for conflict.

The low level of inter-personal and inter-group dysfunctional conflict in the tea gardens are resolved and settled in the garden level itself. Most of the inter-personal conflicts between workers are resolved by the supervisors (immediate boss). The matter is referred to the manager of the tea garden, if the supervisors are unable to resolve it. However, when the conflict takes the ugly shape in the form of strikes and lockouts, the settlement is done through third party intervention. Office bearers of Planters Association step in defending the management. The workers approach, through the trade unions, the Assistant Labour Commissioner to intervene. Assistant Labour Commissioner of the area would bring all the conflicting parties to one table and settlements are sought through the process of negotiation.

Scarcity of, or competition for, resources is a fundamental cause of organisational conflict. Whether it is people, materials, time or money, there are seldom enough resources available to satisfy everyone. Since

tea workers have always got a raw deal in the hands of the planters, trade unions have been active in tea gardens for decades now. Trade unions that are affiliated to different political parties have been in conflict with one another for their share of these scarce resources. For instance, whenever the management decides to repair some of the houses of the workers, different trade unions fight among themselves and with the management demanding repair to be done to the houses of the workers who are member of that particular union. As the management is unable to satisfy all the trade unions at the same time, conflict starts between management and trade unions as well.

The wage settlement of daily rated workers dated 9.9.2001 having expired on 31.3.2003, the Coordination Committee of Tea Plantation Workers (CCPW), a platform of 18 workers' unions and the Defense Committee for Plantation Workers' Rights submitted fresh charter of demand for the revision of scale of pay. Discussions were held at both bipartite and tripartite level on different dates at Kolkata.

The wages revision settlement could not be resolved ever after 9 rounds of meeting. The deadlock continued due to both the conflicting parties sticking to their stand - the management sticking to the stand of linking wages with productivity and workers unions opposing it and demanding increase of wages from the current Rs. 45.90 to Rs. 88 per day. In view of the failed talks, the CCPW decided to go on for the indefinite strike in the industry from 11 July 2005.

The 15-day strike ended close to midnight on Monday (25<sup>th</sup> July 2005), after a marathon tripartite meeting between the state government, the trade unions and the management thrashed out the agreement. One of the longest tea garden strikes in West Bengal ended with marginally enhanced daily wages of over 3.5 lakh workers.

According to the agreement, the workers would receive daily Rs 48.40, an increase of Rs 2.50, for 2005-2006, with effect from April 1, 2005. For the next year, the hike would be Rs 2.50 while in the third year it would be Rs 3. The agreement was signed for three years.

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It was also decided that the workers would get a lump sum of Rs 250 per head as additional wages for the last three months.

The 15-day crisis in West Bengal's tea industry has been resolved with striking workers of the gardens and estate owners budging from their stand and agreeing to a wage revision formula offered by the state government. According to Indian Tea Association Chairman C.K. Dhanuka, the strike caused losses of about Rs.1.5 billion (\$34.5 million) to the industry.

## **1.6 DIRECTION AND SIGNIFICANCE OF THE PRESENT STUDY**

The tea plantation workers of Dooars are mostly adivasis. They are the forth generation descendants of indentured immigrants brought in the 18th century from tribal belts of Bihar, Orissa and Madhya Pradesh. The workforce of Darjeeling tea gardens are exclusively of Nepalese origin (Sharma 1997). However, in Terai, the population is a mixture of Nepalese and immigrated adivasis.

Exposed to the new surrounding and away from home, these immigrated workers lived in sub-human conditions with inadequate housing accommodation, scarcity of drinking water, little or no medical and sanitary arrangement. Poverty and illiteracy made these workers to be blatantly exploited by the owners of the tea gardens. For generations, the tea garden workers have been trying to make a survival amidst poverty and sub-human living conditions.

The conflict between the management and workers, management and trade union has been there since time immemorial. The tea industry in general plunged into deep crisis after 1999 when the prices of the tea nose dived below the cost of production. From year 2001 upto 2004, 24 tea gardens have been declared lockout. There has been report of starvation deaths in the closed estates in Dooars. The decline in the tea prices in global market as well as in productivity has made the situation bad to worse.

The management cites increase cost of production as the reason for crisis. The unit cost of production, according to the Indian Tea Planters Association (ITPA), has been increased annually by about Rs. 5.00 in 1999, Rs. 7.25 in 2000 and Rs. 4.50 in 2001, making a total of Rs. 16.75 while the price realization has been decreased by Rs. 14 for a kilogram of tea. Taking together the increase in cost and decrease in price, the total impact is about Rs. 31 per kg. To overcome the tea industry crisis, ITPA is seeking certain relief in the form of lower agricultural income tax, which are 5.58 higher than other industries.

According to statistics provide by former Siliguri Tea auction Center chairman and planter Mr. KK Mintri, the price of tea on an average has fallen by 26% since 1998, whereas the cost of production had gone up by 27.9% during that same period. According to Mr. Ajit Prasad a senior Planter in 1998, the average price of tea realized at the Siliguri Tea Auction Center was Rs. 76.43. It fell to Rs. 72.80 in 1999, Rs. 61.71 in 2000, Rs. 61.66 in 2001 and Rs. 56.93 in 2002. In contrast, the cost of production has gone up 16% in 1999, 27% in 2000, 38% in 2001 and 44% in 2002.

However, the trade unions described the crisis as artificial and made out by the owners. Those trade unions who keep a moderate view believe that there is a crisis in the tea industry but the crisis is not as acute as it is made out to be by the planters. According to them the decline in the revenue due to crisis need to be shared by owners and workers equally. But Trade unions blame management that the loss is transferred to workers keeping their profit margin intact. The financial crunch created by fall in the prices made a direct impact on the living condition of the workers. The management of the tea gardens either abandoned the estate or drastically curtailed the welfare facilities of the workers.

The convener of the Coordination Committee of Plantation Workers, the largest conglomeration of trade unions for the tea gardens in West Bengal believes that the crisis in the tea industry is artificially created by tea garden owners. The state urban development Minister of West Bengal

observed that the crisis of the tea industry was part of the country-wide economic showdown, and not an isolated case. The owners were only cutting down heavily on wages of the labourers and not controlling the other factors of production.

The planters of North Bengal urged the government taking in view the crisis; to relief them of some of the welfare scheme so that they can run the tea garden smoothly. According to planters, in the present situation, they are not been able to provide free medical facilities, electricity and foodgrains to the workers. They cite example of other tea-producing countries where the social benefits are the responsibility of the state government.

What is most intriguing is the fact that the PLA (1951) which is considered a landmark development towards the protection of the rights of the plantation workers has become ineffective. According to PLA (1951) provision for housing, medical facilities, water, foodgrains etc are the responsibility of the management. Most of the gardens flout these provisions and do not provide these facilities to the workers.

The wage agreement entered into in 9.9.2001 between management and workers expired on 31.3.2003 and new wage rates were suppose to take effect from 1.4.2003. But till July 2005, it had not been enforced. Many major tea companies had decided not to raise the wages. They were of the opinion that productivity-linked wages would be given to the workers based on their performance. Increasing the wages without a commensurate increase in labour productivity would lead to increase in the cost of production of tea. This issue of productivity linked wages was unacceptable to the trade union. According to trade unions, improving the production of tea depends, in addition to productivity of labour, many other factors like climatic conditions, improving manufacturing methods, type of fertilizers used etc.

According to newspaper report of January 2004, a total of 119 PF defaulter tea gardens have been asked by the Provident Fund Department to clear their dues. As on 10.12.04, of the 256 tea gardens covered by

Employees' Provident Fund Organisation, 41 gardens were 'PF defaulter'. The total amount of default for the current year 2003-04 was of the tune Rs. 326.22 lakh and the arrear was Rs. 420.32 lakh affecting more than 35,000 workers. Many tea gardens have failed in depositing even the employees' share of contribution. The default amount in this regard for the current year 2003-04 was Rs. 125.01 and the arrear was Rs. 4.11 lakh. (Annexure 1.1)

## **1.7 OBJECTIVES OF THE STUDY**

1. There are basically five different conflict handling styles used by the managers during a conflict situation. They are integrating, obliging, dominating, avoiding and compromising. The study tries to identify the 'most used' conflict handling style by the managers of the tea garden. The conflict handling style is ranked starting from most used style down to least used.
2. In a tea garden, workers' problems are represented by the trade unions. Workers unions use five different conflict handling styles while dealing with the conflicting situation with the management. The study tries to rank these five styles used by the trade unions starting from the most used to the least used.
3. The different problems faced by the workers are communicated to their respective trade union depending upon their affiliation to a particular trade union. These problems are ultimately placed before the management by the trade union in the form of demands. Trade unions active in the tea industry put forth different demands to the management at different times. The study tries to find out the demands placed before the management and to select the five most important demands of the trade unions.
4. To identify different conflict handling style used by the workers with the management and with co-workers according to most preferred to least preferred style.

5. To find out whether the conflict handling style used by the workers with management is different from that of with co-workers.
6. The Plantation Labour Act 1951 was passed in parliament and made lots of provision for the safety, welfare and health of the workers. However, these provisions are not implemented in the tea gardens by the management. Therefore, this study tries to identify the different sources of conflict prevailing in the tea gardens, rank them according to the most important sources going down to the least important.
7. To find out whether the sources of conflict prevailing in the tea industry are similar in three tea growing areas of Darjeeling, Dooars and Terai.
8. To identify three most important sources of conflict which create tension between management and workers.
9. To identify the organisational climate of trust and openness existing in the tea gardens i.e. whether workers feel free to express their views and grievances without fear and threat.
10. A conflict can be functional or dysfunctional depending upon whether the existing conflict in the organisation has helped the organisation's performance to improve or has resulted in bringing the performance down. The study tries to find out whether there is lack of functional conflict in tea gardens.

## **1.8 REVIEW OF LITERATURE**

**Clagett G Smith** (1965) investigated the determinants and consequences of intra-organisational conflict in 250 separate organisational units from six organisations. He formulated three hypotheses as determinants of intra-organisational conflict. According to Mr. Smith, intergroup conflict in organisation has been attributed to i) problems of communication between the parties involved, ii) differences in basic interest and goals, and iii) lack of shared perceptions and attitudes among members at different echelons.

i) Problem of communication between the parties involved: The inadequate communication quantitatively as well as qualitative can be the reason for conflict between the parties involved. It has been observed that bigger the organisation greater the problem of communication hence the conflict.

ii) Differences in basic interest and goals: The groups within an organisation may pursue different interests and goals. One party may be interested only to fulfill its own goals bothering little about the interest of the other party. Individual group in an organisation pursue its own small goals ignoring the larger interest of the organisation.

iii) A lack of shared perceptions and attitudes among member at different echelons: Members in an organisation occupying different echelon are bound to have diverse perception and attitudes. In order to be successful sub-groups in an organisation have to function like one cohesive unit. The lack of shared perception and attitude may bring about conflict within the groups.

**Patricia A Renwick** of University of California (1975) conducted a research with a purpose to examine the impact of topics and sources of disagreement on the management of conflict occurring between two individuals. Of the five methods namely, withdrawal, smoothing, compromise, forcing and confrontation, of resolving conflict which of one is used by an individual when it comes to conflict related to i) salaries, promotions, and performance appraisal ii) personal habit iii) physical working conditions and organisational policies and procedures.

The research further examined as to which of the five conflict resolving methods was used when the sources of conflict were i) differences in knowledge or factual material, ii) personality differences and iii) differences in attitudes or opinions.

The finding showed that when conflicts involved 'salaries, promotions or performance appraisal' confrontation was the method most likely to be used. Compromise was the method most likely to be used when conflicts

involved 'personal habit and mannerism' and when conflict involves 'physical working condition or organisational policies and procedures' compromise was the method most likely to be used.

Conflicts originating from 'differences in knowledge or factual material' were more likely to elicit confrontation. Conflicts stemming from 'personality differences' were most likely to be dealt with through compromise and smoothing. And conflicts having their origins in 'differences in attitudes or opinion' were most likely to be managed by compromise and smoothing.

**Thomas and Schmidt**, (1976), University of California made a survey of managerial interests in the area of conflict and conflict management. Their study sought to a) determine the general importance of conflict management as perceived by manager b) categories their interests in conflict and c) identify special interests of different levels of managers. The finding suggested that managers from middle to top levels had a lively and growing interest in learning more about both the prevention and management of conflict.

**J. D. Hunger** and **Louis W. Stern** (1976) of University of Virginia and Northwestern University respectively suggested that superordinate goal help reduce the felt conflict in an organisation. When conflicting parties come together to achieve superordinate goal they set aside the problem with another group and work towards achieving the superordinate goal. A superordinate goal is a goal whose attainment is beyond the resource and efforts of any one group. If, however, the superordinate goal is not achieved, the felt conflict between the conflicting parties do resurface. However, non-achievement of superordinate goal does not increase or worsen the felt conflict.

**K. M. Eisenhardt**, **J.L kahwajy** and **L. J Bourgeois III** (1977) had been observing the works of top-management teams of 12 technology-based companies. It has been found that out of 12 companies, 4 companies which had experienced considerable destructive conflict could manage to reduce the interpersonal conflict by apply the following six tactics.

Team members-

- i) Worked with more, rather than less, information and debated on the basis of facts: It is a myth that too much data will increase interpersonal conflict. In fact, with more data and good data, executives of the companies can debate on issues rather than over opinion. Executives can focus on issues and not on the personality.
- ii) Developed multiple alternatives to enrich the level of debate: Research have shown that managers who develop multiple rather than one or two alternatives available to the team can help reduce conflict as team members have more option to choose from different alternatives.
- iii) Shared commonly agreed-upon goals: Common goals are goals whose attainment is beyond the resources and effort of any group alone. All the groups must come together to attain the common goals thus reducing the individual differences.
- iv) Injected humour into the decision process: It has been found that all the teams with low interpersonal conflict use humour to reduce tension and stress in the workplace.
- v) Maintained a balanced power structure: a leader who is either highly autocratic or weak does generate high level of interpersonal conflict. A highly autocratic leader takes decision without consulting anyone whereas a weak leader is ineffective and inefficient to make a right decision.
- vi) Resolved issues without forcing consensus: It is a two-step process. Executives try to reach a consensus and make a decision. However, if they fail to reach the consensus then the senior managers make the decision on the basis of information supplied by the executives.

**C. Brooklyn Derr (1978)** focused on three major conflict management modes namely collaborations, bargaining and power-play. According to Derr, these three conflict management modes were not best suited in any one condition but in different situations and conditions. Collaboration is best suited in situation where the conflicting party could express its views without fear of reprisal. Power-play was suited in a situation where one seeks authority and autonomy. While bargaining mode was appropriate where neither collaboration nor power-play modes could be applied.

**Cochran** of Mississippi State University and **White** of University of Arkansas (1981) investigated empirically patterns of intra-organisational conflict surrounding equipment and material purchases in hospital organisations. The study addressed itself to a) the frequency of such conflict b) the location of conflict c) perceived causes of purchasing related conflict and d) the relationship of selected categorical variables to interorganisational conflict. The results showed that (i) significantly higher levels of conflict were associated with non-routing purchases than with routine purchases, ii) administrators perceived greater frequency of conflict than did purchasing managers and, iii) larger hospitals experienced more purchasing related conflict than did medium and smaller size hospitals.

**Daniel S. Cochran** of Mississippi State University , **Mel Schnake** of University of Southern Mississippi and **Ron Earl** of Sam Houston State University(1983) observed that conflict is likely to occur when one individual or group feels that their important goals or the satisfaction of important needs are being blocked or about to be blocked by another individual or group.

In a hospital, there seem to be a tendency for dual management system to develop. On one side administrator, who has control over resources ; on the other side physicians who has authority based upon their expertise and power derived from patients, other medical staff and the community. The potential for the development of conflict in this situation is great.

Samples were taken from 3 different sized hospitals. The size was measured in terms of bed size – (ranging from  $\leq 99$  beds (small), 100-199 beds (medium) and  $\geq 200$  beds (large) conflict was defined as 'difference of opinion between individual involved in the purchasing decision – making process.

Conflict occurred more frequently in large hospital followed by small hospital. Conflict in medium size hospital occurred least frequently. For the conflict location, the conflict between the administration and the board occurred more frequently in small hospitals than in the large hospitals.

There was no significant difference between medium size and small size hospital with respect to conflict location.

**Nelson** of Louisiana Tech University (1989) examined the relationship between social networks and conflict in organisations across 20 organisations. These 20 organisations included manufacturing, service, public sector, and private sector entities. Results indicated that strong ties were generally associated with an absence of disruptive conflict, and strong ties between groups were especially typical of low-conflict organisations.

**Alter** of University of Iowa (1990) studied conflict and coordination in interorganisational service delivery system. 15 community-based interorganisational service delivery systems were studied for the purpose. The finding indicated that conflict was associated with structural characteristics of these interorganisational systems and that coordination is related to service characteristic. Excessive conflict occurred in systems in which there is a mismatch between the need for coordination and the actual amount of coordination occurring.

**Charles R. Schwenk** (1990) of Indiana University showed through his research that managers of not-for-profit organisations made decisions taking into consideration the need of diverse group rather than decision, which were merely to maximize financial performance. Therefore, in not-for-profit organisations the conflict leads to increased attention to diagnosis and evaluation and ultimately higher quality decision. However, for managers for-profit organisations it had been observed that high-conflict decisions might improve decision quality but lack of consensus and agreement often, led to poor performance.

**Allen C. Amason** (1996) of Mississippi State University examined the paradoxical effects of conflict on strategic decision making. According to Amason, decision quality, consensus and affective acceptance, which were necessary for high performance, were not completely complementary. High quality decisions hindered consensus and again seeking consensus invariably reduces decision quality. He, however,

found out through his research that by encouraging the cognitive conflict while restraining affective conflict; top management teams may be able to enhance the quality of their decision, without sacrificing consensus and affective acceptance among the members.

**Brass and Gray** of the Pennsylvania State University (1998) studied the relationship between interpersonal relationships among members of different departments and individuals' perceptions of intergroup conflict within an organisation. The results of this study indicated that low intragroup cohesiveness was significantly related to higher perceptions of intergroup conflict.

**Afzal Rahim** of Center for Advanced Studies in Management and Clement Psenicka of Management Department, Youngstown State University (2004) investigated the role of conflict management strategies as moderating and mediating between conflict and job performance. The conflict management strategies are problem solving and bargaining. Rahim and Psenicka used three published questionnaires – Rahim Organisational Conflict Inventory I & II (ROCI I and II), and Minnesota Satisfactoriness Scale (MSS) - for this study. ROCI I was used to measure intragroup conflict and ROCI II were used to measure the style of handling interpersonal conflict with a supervisor. Job performance of the individual employees was measured with MSS.

The result showed that the intragroup conflict was negatively associated with job performance and problem-solving strategy was positively associated with job performance. The results also showed that intragroup conflict was negatively associated with problem solving, but not with bargaining. The relationship between intergroup conflict and bargaining was positive but it was non significant.

The relationship between problem solving and job performance was positive and significant and the relationship between bargaining and job performance was negative and significant. The results indicate that problem solving strategy and not bargaining strategy, is a significant

mediator of the relationship between intergroup conflict and job performance.

**Afzal Rahim** of Center for Advanced Studies in Management, Bowling Green KY (2004) investigated the relationship between power and conflict management strategies and their effects on propensity to leave a job. He made a cross cultural study. Data were collected from four different countries with different cultural background. The countries were U.S, Greece, South Korea and Bangladesh. Power is defined as the ability of a person to modify or control the behaviour, attitudes, opinions, objectives, needs, preferences and value of another party.

The result showed that the problem solving strategy was positively associated with propensity to leave a job and bargaining strategy was negatively associated with the same in the U.S and Greece, but not in South Korea and Bangladesh.

## **1.9 HYPOTHESES**

**Hypothesis 1: The Other Monthly Rated Employees (OMRE) are able to communicate more openly with managers than the Daily Rated Workers (DRW).**

The plantation system has a distinct hierarchy. The Other Monthly Rated Employees (OMRE) acts as an intermediary between the managers and the Daily Rated Workers (DRW). The OMRE occupies higher place in the hierarchy than the DRW. They have more of experience and relatively more literate than DRW.

**Hypothesis 2: Workers feel that management never consults workers before introducing any changes in the work process and there is no significant difference in the responses of OMRE and DRW.**

Managers of tea gardens follow autocratic style of management, where workers are neither encouraged to participate in the management nor consulted while taking important decision concerning the workers. Illiteracy of the workers may be one of the reasons why workers are kept outside the decision making process.

**Hypothesis 3: Male workers openly disagree more than female workers when the change brought in by the Management do not suit them.**

In plantation society inequality, exist between the women workers and the male workers because women have less economic power, decision making power and illiterate. Male workers are more vocal and aggressive by nature whereas female are quiet, cool and poised.

**Hypothesis 4: Management threats workers of closure in the slightest of pretext to obey their policy and there is no significant difference in the responses of the workers of proprietary gardens and non-proprietary gardens.**

Workers allege that management close and abandoned tea plantation, without worrying about the problems of workers and their families. The management shuts down the entire tea estate even if a single worker misbehaves with the managerial staff. However, proprietary garden owned by an individual or a family is likely to give threat of closure more often than an agency or a government undertaking gardens.

**Hypothesis 5: Conflict in tea gardens has been attributed to problems of communication between the parties involved.**

The barriers to adequate communication between persons occupying different echelons give rise to conflict due to supply of insufficient information both quantitatively and qualitatively. If the information given is not sufficient, effective and acceptable decisions cannot be made.

**Hypothesis 6: Workers feel that the management is driven by profit motive only and care less about the welfare of the workers and the responses of both male and female workers are similar.**

**Hypothesis 7: Managers feel that workers are worried about their own welfare and not bother about the welfare of the garden and there is no significant difference in the responses of the managers of Darjeeling and Dooars.**

**Hypothesis 8: The trade union office bearers feel that the management is driven by profit motive only and care less about the Welfare of the workers and the responses of the Trade Union Leaders of Darjeeling, Dooars and Terai are not significantly different.**

Intergroup conflict in tea gardens has been attributed to differences in basic interests and goals. Conflicting roles and goals can provoke open competition. Parties to conflict typically have an interdependent relationship that is made difficult by conflicting or incompatible interests. Each homogeneous group of employees such as 'managers', 'supervisors' and 'workers' has incompatible interests and goals. Each group in an organisation pursue its own small goals.

**Hypothesis 9: Male workers are more dominating than female workers in conflict situations.**

Some studies show that male workers are more dominating and less compromising than the female workers in conflicting situation.

**Hypothesis 10: An individual will more likely to use the avoiding style with superiors than with peers.**

From literature review, it has been found that an individual is more likely to use the avoiding style with superiors than with peers.

**Hypothesis 11: The problem of housing is acute in small gardens than in the large gardens.**

Barring a few gardens, housing accommodation had not been fully provided to all resident workers. The worst offenders are the small gardens because of their weak financial health.

**Hypothesis 12: Workers feel that housing is the number one reason for tension between workers and management and there is no significant difference in the responses of the workers of hill gardens and plain gardens.**

In general, it can be stated that none of the plantations in the three tea growing areas of Darjeeling, Dooars and Terai have fulfilled the housing

requirements as stipulated in the PLA. Though geographically different, the problems of housing for hill gardens and plains gardens are similar.

**Hypothesis 13: Management applies power/dominating style more often than any other styles with workers to handle conflicts and it is true for all three regions.**

Power-oriented methods such as bargaining and domination are popular for the resolution of conflicts. Power-oriented methods or what is otherwise called a “zero-sum” situation i.e. one party’s gains is the other party’s loss. Most conflicts occur because the people involved perceive the situation in this way. “My way-versus-your-way” leads naturally to power-oriented behavior.

**Hypothesis 14: There is no significant difference in conflict handling style used by workers of Darjeeling, Dooars and Terai with the superior.**

**Hypothesis 15: There is no significant difference in conflict handling style used by trade unions office bearers of Darjeeling, Dooars and Terai.**

**Hypothesis 16: There is no significant difference in conflict handling style used by management of Darjeeling, Dooars and Terai.**

Indian culture tends to encourage individuals to avoid conflict. In India workers, trade union leaders or managers, no matter what hierarchical position they occupy, tend to follow similar style when it comes to handling conflict.

ANNEXURE 1.1

## NAME OF THE P. F. DEFAULTER TEA GARDENS AS ON 10.12.04

Sl. No	Name of the Tea Garden	Amount in default (Rs. in lakh)			Number of employees affected	Amount of employees' share (Rs. In lakh)
		Current	Arrear	Total		
1	Ashina	0.70	0	0.70	56	0.33
2	Balasan	14.26	34.27	48.53	1234	7.03
3	Basanti	0.16	0	0.16	22	0.07
4	Belgachi	13.58	14.10	27.68	1179	6.36
5	Bijbari	0.16	0	0.16	74	0.07
6	Binam	0.05	0	0.05	27	0.02
7	Ceedars	0	30.18	30.18	826	0
8	Devijhora	25.58	0	25.58	814	4.58
9	Fagu	18.44	0	18.44	530	8.64
10	Gangaram	58.54	21.08	79.62	3107	27.43
11	Gayaganga	10.49	9.94	20.43	997	0
12	Goalgachi	40.15	10.35	50.50	1684	22.92
13	Ichamoti	0.54	0	0.54	114	0
14	Jayantika	0.19	0	0.19	1716	0
15	Jogomaya	0	11.34	11.34	200	0
16	Kamala	35.69	0	35.69	1629	10.79
17	Kumai	0	19.79	19.79	929	0
18	Lakhipur	10.49	0	10.49	501	4.91
19	Longview	26.51	23.95	50.46	2203	12.43
20	Mahamaya Agro. Ind.	0.07	0	0.07	23	0.03
21	Mahua	2.02	0	2.02	40	0.64
22	Murmah	11.00	24.88	35.88	970	5.15
23	Namring	0	26.96	26.96	2345	0
24	Nischintapur	1.52	0	1.52	238	0
25	Oaks	5.34	0	5.34	524	0.55
26	Pahargoomiah	0	25.52	25.52	2393	0
27	Panighata	0	31.92	31.92	1621	0
28	Patagora	6.93	0	6.93	1088	3.25

Sl. No	Name of the Tea Garden	Amount in default (Rs. in lakh)			Number of employees affected	Amount of employees' share (Rs. In lakh)
		Current	Arrear	Total		
29	Pootong	0	33.38	33.38	459	0
30	Riddhi siddhi	1.50	0	1.50	115	0.49
31	Sachindrachandra	0	25.38	25.38	263	0
32	Sayedbad	14.77	21.34	36.11	732	6.92
33	Sepoydhoorah	0	31.05	31.05	355	0
34	Seven Oaks	0.12	0	0.12	26	0.05
35	Simulbari	4.09	0	4.09	753	0
36	Singbuli	0.22	0	0.22	1754	0.10
37	Singell	0	24.89	24.89	765	0
38	Singhiahjhora	4.31	0	4.31	323	1.58
39	Teesta Valley	9.42	0	9.42	1374	0
40	Tirriahainah	8.91	0	8.91	1174	0.45
41	Uttama	0.47	0	0.47	44	0.22
	<b>Total</b>	<b>326.22</b>	<b>420.32</b>	<b>746.54</b>	<b>35221</b>	<b>125.01</b>

Total number of tea gardens covered	256
Total number of tea gardens in default	41

#### Total amount of default

current year (2003-04)	Rs. 326.22 lakh.
Arrear	Rs. 420.32 lakh

#### Default in employees' share of contribution

current year (2003-04)	Rs. 125.01 lakh.
Arrear	Rs. 4.11 lakh

Source: Office of Provident Fund Organisation, Siliguri

**ANNEXURE 1.2****PAY, ALLOWANCES AND OTHER SERVICE CONDITIONS FOR TEA GARDEN EMPLOYEES & WORKERS OF DARJEELING, DOOARS AND TERAI****Scale of pay and allowances of Clerical staff**

Category	Basic Rs.	D. A	V.D.A	Starting salary Rs
Clerical grade I (Head clerk, head factory clerk etc.)	2515-49-3995-61-3615	50%	16%	4175
Clerical grade II (2 <sup>ND</sup> clerk, 2 <sup>nd</sup> factory clerk etc.)	2250-49-2640-84-3120	50%	16%	3735
Clerical grade III (typist, junior clerk etc)	2092-29-2382-37-2752	50%	16%	3473

Note: DA = Dearness Allowance, VDA= Variable Dearness allowance. DA and VDA are calculated on basic pay.

**Scale of pay and allowances of medical staff**

Category	Basic	D. A	V.D.A	starting salary Rs.
Medical grade I ( assistant medical officer, pathologist)	2910-65-3560-91-4470	50%	16%	4831
Medical grade I(b) (pharmacist / compounders holding "A" certificate )	2450-46-2910-57-3480	50%	16%	4067
Medical grade II (staff nurse, radiographer etc)	2250-41-2660-50-3160	50%	16%	3735
Medical grade III ( Pharmacist holding 'B', 'C' or 'D' certificate, health assistant etc.)	2110-30-2410-39-2800	50%	16%	3503

Note: DA = Dearness Allowance, VDA= Variable Dearness allowance. DA and VDA are calculated on basic pa

**Scale of pay and allowances of technician staff**

Category	Basic	D. A	V.D.A	starting salary Rs.
Technical grade 'A' (special mechanic, special carpenter)	2515-49-3005-61- 3615	50%	16%	4175
Technical grade 'B' (Head mechanic, head electrician etc.)	2250-39-2640-48- 3120	50%	16%	3735
Technical grade 'C' (motor vehicle driver, engine driver etc)	1415-27-1685-2015	50%	16%	2349

Note: DA = Dearness Allowance, VDA= Variable Dearness allowance. DA and VDA are calculated on basic pay.

**Scales of pay and allowances of 'other monthly rated employees'**

Category	Basic	D. A	V.D.A	starting salary Rs.
O.M.R.E grade I (Head foreman, head munshi, factory sardar etc.)	985-17-1155-22-1375	50%	16%	1635
O.M.R.E grade II (Senior foreman, chaprasi, baider etc.)	960-16-1120-20-1320	50%	16%	1594
O.M.R.E grade III (Watchman, daffadar, time keeper etc.)	930-15-1080-19-1270	50%	16%	1544

Note: DA = Dearness Allowance, VDA= Variable Dearness allowance. DA and VDA are calculated on basic pay.

**Scales of pay and allowances of 'daily rated workers'**

Garden worker	Daily wages Rs.	Additional compensation Rs	Total Wages Rs.
Adult	48.40	2.00 *	50.40

Factory worker	Daily wages Rs.	Additional compensation	Total Wages Rs.
Adult	48.40	2.50**	50.90

\* Paniwallas, Malis, sweepers, fencing men, helper to mechanic, carpenters and masons. crèche attendants will receive Rs. 2.00 as additional compensation.

\*\* Tea makers and helpers to fitters, mechanic, carpenters and masons in the factory will receive Rs. 2.50 as additional compensation.

**Authorised amenities for clerical, medical and technical staff**

Free quarters	For each employee and his / her family as per the Plantation Labour Act.
Firewood	1 peel per month per household. One peel is 5 feet X 5 feet X 2½ feet.*
Rations	An employee is entitled to 1 kg rice and 2.260 kgs wheat at 40 paise per kg per week. An adult dependent would be entitled to 1 kg. Rice and 1.44 kgs wheat and a non-adult dependent would be entitled to .500 kgs rice and .720 kgs wheat per week.**
Medical facilities	Fee use of medical facilities provided by the industry in accordance with the West Bengal Plantation Labour Rules for himself and his family.
Annual leave	30 days maximum accumulation is upto 120 days during the tenure of his / her employment.
Casual leave	15 days with pay.
Sick leave	As per West Bengal Plantations Labour Rules
Maternity leave	As per Maternity Benefit Act.
Lighting	Where supply of electricity is not available, kerosene oil at the scale of 9 liters per month per household will be issued.
Cycle allowance	Rs. 40 per month to these members of the staff whose duties in the opinion of the management requires the use of their own cycle.
Festival holidays	Id-ul-Fitre & Christmas, Holy, durga puja, kali puja.
National holidays	26 <sup>th</sup> January and 15 <sup>th</sup> August
Netaji birthday	One extra holiday on 23 <sup>rd</sup> January by rotation.

\* For Darjeeling Gardens firewood is provided to the employees at the following rates:

- Clerical Grade I – 100 mds of firewood per year (37.32 qtls)
- Clerical Grade II – 75 mds of firewood per year (28.00 qtls)
- Clerical Grade III – 60 mds of firewood per year (22.39 qtls)
- Medical Grade II – 75 mds of firewood per year (28.00 qtls)
- Medical Grade III – 40 mds of firewood per year (14.93 qtls)

\*\* For Darjeeling gardens, an employee is entitled to 1.00 kg of rice and 2.300 kg of wheat at concessional rate of 47 paise per kg. An adult dependent would be entitled to 1 kg. Rice and 1.50 kg wheat and a non-adult dependent would be entitled to .500 kg rice and .700 kg wheat per week.

**Authorized amenities for “other monthly rated employees”**

Free quarters	For each employee and his / her family as per the Plantation Labour Act.
Firewood	4 peels per year per household. One peel is 5 feet X 5 feet X 2½ feet.*
Rations	A worker is entitled to 1 kg rice and 2.260 kgs wheat at 40 paise per kg per week. An adult dependent would be entitled to 1 kg. Rice and 1.44 kgs wheat and a non-adult dependent would be entitled to .500 kgs rice and .720 kgs wheat per week.**
Medical facilities	Fee use of medical facilities provided by the industry in accordance with the West Bengal Plantation Labour Rules for himself and his family.
Annual leave	As per Plantation Labour Act
Casual leave	10 days as per standing orders of which 9 days will be with pay but not more than 2 days at a time.
Sick leave	As per West Bengal Plantations Labour Rules
Maternity leave	As per Maternity Benefit Act.
Lighting	Where supply of electricity is not available, kerosene oil at the scale of 9 liters per month per household will be issued.
Cycle allowance	Rs. 40 per month to these members of the staff whose duties in the opinion of the management requires the use of their own cycle.
Festival holidays	Id-ul-Fitre & Christmas, Holy, durga puja, kali puja.
National holidays	26 <sup>th</sup> January and 15 <sup>th</sup> august
Dry tea	400 gms per worker per month
Chappal	A pair of standard quality Hawai Chappal once in a year

\* For Darjeeling Gardens firewood is provided to the employees at the following rates:

- OMRE Grade I – 25 mds of firewood per year (9.33 qtls)
- OMRE Grade II – 15 mds of firewood per year (5.60qtls)
- OMRE Grade III – 12 mds of firewood per year (4.48 qtls)

\*\* For Darjeeling gardens, an employee is entitled to 1.00 kg of rice and 2.300 kg of wheat at concessional rate of 47 paise per kg. An adult dependent would be entitled to 1 kg. Rice and 1.50 kg wheat and a non-adult dependent would be entitled to .500 kg rice and .700 kg wheat per week.

**Authorized amenities for “daily rated workers”**

Free quarters	For each employee and his / her family as per the Plantation Labour Act.
Firewood	2½ peel per year per household. One peel is 5 feet X 5 feet X 2½ feet.*
Rations	A worker is entitled to 1 kg rice and 2.260 kgs wheat for 6 days work performed at 40 paise per kg. The rate raises as the number of days worked decreases. An adult dependent would be entitled to 1 kg. Rice and 1.44 kgs wheat and a non-adult dependent would be entitled to .500 kgs rice and .720 kgs wheat per week.**
Medical facilities	Fee use of medical facilities provided by the industry in accordance with the West Bengal Plantation Labour Rules for himself and his family.
Annual leave	As per Plantation Labour Act
Casual leave	As per standing order
Sick leave	As per West Bengal Plantations Labour Rules
Maternity leave	As per Maternity Benefit Act.
Festival holidays	As per garden practice of which 7 days including id-ul-fitre and Christmas.
National holidays	26 <sup>th</sup> January and 15 <sup>th</sup> august
Dry tea	400 gms per worker per month
Chappal	A pair of standard quality Hawai Chappal once in a year
Protective clothings	i) Workers engaged in spraying – gauntlets, goggles, knee length polythene apron, rubber boots with socks, nose-mask or bleached kerchief to cover nose and mouth. ii) Plantation workers- umbrella, apron, blanket (every alternate year)

\*\* For Darjeeling Gardens firewood is provided to the employees at the following rates:  
 Permanent workers – 8 mds of firewood per year (2.99 qtls)  
 Permanent Non-adult workers – 4 mds of firewood per year (1.49 qtls)  
 Permanent Tea Makers – 10 mds of firewood per year (3.73 qtls)

\*\* For Darjeeling gardens, an employee is entitled to 1.00 kg of rice and 2.300 kg of wheat at concessional rate of 47 paise per kg. An adult dependent would be entitled to 1 kg. Rice and 1.50 kg wheat and a non-adult dependent would be entitled to .500 kg rice and .700 kg wheat per week.

**ANNEXURE 1.3****NAMES OF THE TEA GARDENS WHICH HAVE BEEN DECLARED  
LOCK OUT FROM THE YEAR 2001 UPTO MID 2004.**

Sl. No.	Name of the garden	Date of Lock-out	Date of end of Lock-out	No. of workers affected
1	Ambootia <sup>1</sup>	20.12.01	9.1.02	900
2	Sepoydhura <sup>2</sup>	5.9.02	Cont...	350
3	Malnady	11.11.01	11.4.02	500
4	Bijalimoni	14.1.02	N.A	N.A
5	Fatapukhur	8.2.02	N.A	200
6	Rahimpur <sup>3</sup>	26.2.02	2.4.02	N.A
7	Rheabari <sup>4</sup>	25.2.02	N.A	N.A
8	Rahimabad	17.4.02	4.5.04	600
9	Katalguri	22.8.02	Cont...	1600
10	Ranglee Rangliet <sup>5</sup>	6.6.02	8.6.02	N.A
11	Toorsa	1.9.02	N.A	N.A
13	Ramjhora	10.8.02	Cont...	1250
14	Chongtong	14.8.02	18.10.02	1500
15	Dheklapara	21.8.02	Cont...	1500
16	Arihant	14.8.02	N.A	200
17	Sepoydhura	5.9.02	8.5.03	350
18	Bhojnarayan	9.10.02	11.10.02	450
19	Chandmoni	Year 2002	17.10.02	N.A
20	Kironchandra	3.11.02	14.11.02	450
28	Samsing <sup>8</sup>	25.11.02	10.4.03	2253
29	Poobong <sup>9</sup>	6.12.02	N.A	450
30	Debipur	2.12.02	N.A	400
31	Kuchlibari	28.12.02	N.A	500
32	Jayantika	30.12.02	28.4.03	530
33	Amboik	18.12.02	29.1.03	500
34	Shikarpur & Bhndarpur <sup>10</sup>	29.12.02	23.2.03	1523
35	Gayaganga	15.1.03	10.3.03	751
36	Marionbarie	8.3.03	21.3.03	832
37	Malnady	3.3.03	23.7.03	500
38	Mohurgoan & Gulma <sup>11</sup>	20.4.03	13.5.03	3000
39	Risheehat <sup>12</sup>	24.4.03	7.5.03	488
40	Jogesh Chandra <sup>13</sup>	22.4.03	Cont...	950
41	Fagu	26.4.03	2.2.04	300
42	Gungaram <sup>14</sup>	21.5.03	21.5.03	2705
43	Aryaman	24.7.03	1.9.03	800
44	Rungmook & Ceder	15.7.03	N.A	1718
45	Mission Hill	22.7.03	1.1.04	664
46	Singbuli	28.7.03	18.8.03	750

Sl. No.	Name of the garden	Date of Lock-out	Date of end of Lock-out	No. of workers affected
47	Chuapara <sup>15</sup>	2.8.03	N.A	N.A
48	Singtam	18.8.03	14.9.03	594
49	Grassmore	25.8.03	28.8.03	N.A
50	Sayedbad	24.9.03	Cont...	600
51	Samsing	19.9.03	19.3.04	2253
52	Bamendanga	16.9.03	17.6.04	1180
53	Mechpara <sup>16</sup>	2.10.03	N.A	N.A
54	Raipur <sup>17</sup>	17.10.03	Cont...	640
55	Matidhar <sup>18</sup>	19.10.02	N.A	N.A
56	Toorsa	19.11.03	8.12.03	1034
57	Chinchula	20.11.03	28.6.04	1000
58	Glenburn	29.10.03	9.2.04	1204
59	Murma division of Balason	15.11.03	N.A	400
60	Satali	29.12.03	19.3.04	1146
61	Kohinoor	Year 2003	7.1.04	N.A
62	Chongtong	30.10.03	2.1.04	1204
63	Majherdabri	Year 2003	16.1.04	N.A
64	Bhagawati	31.1.04	N.A	N.A
65	Sachindra Chandra	31.1.04	N.A	206
66	Nischintapur	1.2.04	29.3.04	331
67	Amboik	Year 2004	3.2.04	N.A
68	Shikarpur & Bhandarpur	12.2.04	N.A	1564
69	Suresh Nagar	Year 2004	5.3.04	104
70	Raja	Year 2004	11.3.04	N.A
71	Dima	22.3.04	N.A	1800
72	Manabari	5.4.04(strike)	N.A	490
73	Rahimabad	Year 2004	N.A	N.A
74	Kalchini	Year 2004	3.5.04	N.A
75	Raimatong	Year 2004	3.5.04	N.A
76	Baradhghi	Year 2004	14.6.04	1550
77	Malnady	19.1.03	21.2.03	N.A
78	Singbuli <sup>19</sup>	28.7.03	18.8.03	N.A
79	Singtam <sup>20</sup>	19.8.03	14.9.03	N.A
80	Jogmaya <sup>21</sup>	12.9.03	Cont...	N.A
81	Takdha <sup>22</sup>	17.4.03	24.4.04	N.A
82	Okayati <sup>23</sup>	19.6.04	N.A	N.A
83	Singbuli-Tingling <sup>24</sup>	Year 2004	8.6.04	N.A
84	New Chumta	5.7.04	15.7.04	N.A
85	Ging <sup>25</sup>	15.7.04	31.7.04	N.A
86	New Glencoe	Year 2004	N.A	N.A
87	Simulbari	Year 2004	N.A	N.A
88	Lower Fagu <sup>26</sup>	1.11.03	26.4.03	N.A
89	Nepuchapur <sup>27</sup>	19.6.03	N.A	N.A
90	Hope <sup>28</sup>	17.7.01	20.8.01	N.A

Source: Office of the Assistant Labour Commissioner, Siliguri and Darjeeling

### Reasons for lock out

- <sup>1</sup> Workers of the garden have refused to honour the agreement regarding the new task. The workers with knives gheroarded the manager of the garden manhandled him and threatened to kill him.
- <sup>2</sup> Indiscipline among the workers and threatened with dire consequences to the lives of the management staff.
- <sup>3</sup> Alleged indisciplined behaviour by a section of workers.
- <sup>4</sup> Alleged unruly behaviour by some workers of the garden.
- <sup>5</sup> Management felt impossible to run the garden when the entire workforce supports an illegal demand against a simple disciplinary action that had left open the opportunity for the delinquent worker to submit his explanation.
- <sup>6</sup> Illegal activities of a section of workers as the reason in the notice of suspension.
- <sup>7</sup> Alleged ever-growing incidents of lawlessness and indiscipline among the workers.
- <sup>8</sup> Indisciplined behaviour on the part of the workers forced the Management to lockout the garden.
- <sup>9</sup> Management cited non-cooperation and indiscipline on the part of the workers as the reason behind the suspension of work.
- <sup>10</sup> Non-cooperation from the workers with reference to fulfillment of task was cited as the reason behind lockout.
- <sup>11</sup> The reason behind suspension of work as cited in the notice was non-implementation of bipartite agreement of 22.3.03.
- <sup>12</sup> Alleged that a section of misinformed persons prevented casual workers from coming to the work and permanent workers to continue to resort to tactics like 'go slow' in an effort to put pressure to the Management.
- <sup>13</sup> Alleged indiscipline on the part of the workers.
- <sup>14</sup> Strike called by workers from 6 am to 6 pm on 21.5.03. No demand was placed before the mgt, as it was a part of industrial strike called by major T.U of the region.
- <sup>15</sup> Indiscipline and violent activities by a section of the workers as alleged by the mgt.
- <sup>16</sup> Alleged indisciplined activities of on the part of the section of the workers.
- <sup>17</sup> Alleged confinement of managerial staff and indiscipline were cited as reason behind the suspension of work.
- <sup>18</sup> Indiscipline on the part of the workers led to such action.
- <sup>19</sup> Alleged that the workers of the garden gheroarded the managerial staff of the garden into a cabin of the office. Reign of terror
- <sup>20</sup> As the wages and salaries of the workers are not paid, workers gheroarded the Management and threatened with a dire consequences.
- <sup>21</sup> Workers were not found in duty as and when required. Management felt running of the estate was not possible. There is threat to the lives of the managerial staff.
- <sup>22</sup> Workforce supported an unjust demand to reverse a decision already agreed to and put pressure on the Management.
- <sup>23</sup> Few workers assaulted the assistant manager and tried to kidnap him.
- <sup>24</sup> Management refused to allow medical leave to a female worker which lead to her husband and few others lunch an assault on some managerial staff.
- <sup>25</sup> A group of workers and non-workers assaulted the manager and factory assistant during a meeting demanding medical benefits be extended to non-workers and non-eligible dependents.
- <sup>26</sup> Management declared suspension of work when the workers gheroarded managers on 23 and 24 of April'04 threatening the management with dire consequences if their demands are not met.
- <sup>27</sup> Announced suspension of work following the attack on garden's managerial staff by workers demanding local recruitment.
- <sup>28</sup> The lock out was declared after four assistant managers were assaulted by the workers.

## ANNEXURE 1.4

### Wage rates settlement

<b>Previous settlement (2000-03)</b>		<b>Current settlement (2005-08)</b>	
Period	Rs.	Period	Rs.
1.4.2000 – 31.3. 2001	37.80	1.4.2005 – 31.3.2006	48.40
1.4.2001 – 31.3.2002	41.80	1.4.2006 – 31.3.2007	50.90
1.4.2002 – 31.3.2003	45.90	1.4.2007 – 31.3.2008	53.90

If the wage rate structure of the previous settlement i.e. period between year 2000 and 2003 is compared with the current settlement i.e. period between year 2005 and 2008, it is evident that the percentage of current wages rates increase is less than the previous wages rates. During the period between 2000 to 2003 (previous settlement) , the total wages increased was Rs. 11.10 whereas during the period between year 2006 to 2008 (current settlement) , the total wages increased was only Rs. 8.

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