# Impact of Liberalization Policies on Wage & Salary Administration, Social Security Measures and Welfare Facilities in Jute Industry of Visakhapatnam District

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**Abstract:** *Industrial progress is impossible without cooperation of labour and its harmonious relationships. Therefore, it is in the interest of all to create and maintain good relations between employees and employers. The researcher had made an attempt to evaluate the impact of liberalization polices on industrial relations pertaining to i.e. Wage & Salary Administration, Security measuresand Welfare facilities by taking twenty six parameter for the jute industry in Visakhapatnam districts of North Coastal Andhra Pradesh. The researcher has personally collected the opinions of the respondents through the structured questionnaire. The collected data are analyzed through KMO test, Factor Analysis, Bivariate Correlation Matrix Reliability test. The Analysis shows that the employees are considering three parameters out of twelve of salary and wage administration, two out of seven for social security measure and all parameter for welfare facilities.*

**Keywords**: Factor Analysis, Wage, Salary, welfare facilities, social security measures.

## 1. Introduction

Economists have traditionally identified four factors of production, viz., land, labour, capital and organization. The role of labour as a factor of production is becoming increasingly important in the modern society. Capital and natural resource endowments are vital elements in the production process but thelabour which contributes most to the wealth of a company.

Industrial relations has become one of the most delicate and complex problems of modern industrial society. Industrial progress is impossible without cooperation of labour and its harmonious relationships. Therefore, it is in the interest of all to create and maintain good relations between employees (labour) and employers (management). Good industrial relations are maintained on the basis of cooperation and recognition of each other. Wastages of man, material and machines are reduced to the minimum and thus national interest is protected. It is evident that good industrial relations. is the basis of higher production with minimum cost and higher profits. It also results in increased efficiency of workers. New policies may be introduced for the welfare of the workers and to promote the morale of the people at work. An economy organized for planned production and distribution, aiming at the realization of social justice and welfare of the massage can function effectively only in an atmosphere of industrial peace. If the twin objectives of rapid national development and increased social justice are to be achieved, there must be harmonious relationship between management and labour is required.

### 1.1 Historical Background on Industrial Relations (IR)

The system of industrial relations in the United Kingdom (UK) is traditionally characterized by voluntary relations between the social partners, with a minimal level of interference from the state. . In 1868, the UK Trades Union Congress, the confederal umbrella body for UK trade unions, was formed. The 1871 Trade Union Act recognized trade unions as legal entities as corporations and granted them the right to strike Subsequently, the 1875 Conspiracy and Protection of Property Act allowed the right to peaceful picketing, while the 1906 Trade Disputes Act allowed UK trade unions to engage in industrial action without the threat of being sued for damages. In addition to this body of legislation, a minimal level of legal regulation that stipulated basic health and safety conditions in workplaces was also built up during the 19th century.

One of the significant theories of industrial labour relations was put forth by **John Dunlop**in the 1950s. According to Dunlop "Industrial relations system consists of three agents – management organizations, workers and formal/informal ways they are organized and government agencies".

Growing industrialization and the rapid expansion of the services sector resulted in the galloping demand for skilled labour after 50s. The emergence of the concept of human relations, human resource management and human resource development contributed to the growing importance of labour. The issue of industrial relations arose from the issue of divorce of the workers from the ownership and management of the production process.

In The New Look in Wage Policy and Employee Relations, *Audrey Freedman* documented many changes in managerial approaches to industrial relations in leading U.S. firms during the late 1970s and early 1980s.

In the 1980s and 1990s especially, many firms and academic programs tended to play down or even eliminate reference to industrial relations terms, and instead tended to elevate or adopt human resources terms in their job titles, department names, etc. U.S. union representation has declined so that today unions represent about one-seventh of employees (13.9 percent in 1998).

## 2. Major Components Covered in Industrial Relations

1) Wage & Salary Administration
2) Welfare measures
3) Social Security measures

### 2.1 Wage & Salary Administration

It is essentially the application of a systematic approach to the problem of ensuring that employees are paid in a logical, equitable and fair manner. A large number of factors influence the salary levels in an organization. Significant among them are Remuneration in Comparable industries, Firms ability to pay, Cost of living, Productivity, Union pressure and strategies, Government legislations. Management has to formulate and administer the salary policies on sound lines are most of the employees' satisfaction and work performance are based on pay; Internal inequalities in pay are more serious to certain employees; Employees compare their pay with that of others; Employees act only to gross external inequalities; Employee comparisons of pay are uninfluenced by levels of aspirations and pay history; Employees compare the pay of different employees with their skill, knowledge, performance, etc.

### 2.2 Welfare Measures

'Labour welfare is an important facet of industrial relations, the extra dimensions giving satisfaction to the worker in a way which even a good wage cannot. With, the growth of industrialisation and mechanisation, it has acquired added important. The workers in the industry cannot cope with the pace of modern life with minimum sustenance amenities. He needs an added stimulus to keep body and soul together. Employers have also realised the importance of their role providing these extra amenities, and yet, they are not always able to fulfill workers' demands, however reasonable they might be.

### 2.3 Social Security Measures

*Employee State Insurance (ESI):* It is a health insurance for industrial workers. It provide some cash benefits to employees in the case of sickness, maternity, employment injury, and medical facilities in kind and to make provisions for certain other matters in relation thereto.

*Employee Provident Fund (EPF):* More than 20 employees working industries and drawing a pay not exceeding Rs.6,500 per month are eligible for EPF. The normal rate of contribution to PF by employees and employer is 10% of pay of the employee.

*Employee Gratuity:* It is an additional retirement benefit has been secured by labour in numerous instances, either by agreement or by awards.

*Employee Bonus:* It is a gratuitous payment of a share in the profits by an employer to his employees. It is to maintain peace and harmony between labour and capital by allowing the employees to share the prosperity of the establishment reflected by the profits earned by the contributions made by capital, management and labour.

*Maternity benefit:* Employer should provide for maternity leave and payment of certain monetary benefits for women workers during the period when they are out of employment on account of their pregnancy.

*Workmen's compensation:* Employers to pay compensation to workers for accidents arising out of and in the course of employment.

## 3. Scope and Significance of the Study

The success or failure of any organization is depending on the effective utilization of the human resources in the organization. The healthy industrial relations are the key to the progress and prosperity of any economy and particularly industry. Good industrial relations improve the morale of the employees. Employees work with great zeal with the feeling in mind that the interest of employee and employer is one and the same. Poor industrial relations increase the number of strikes, lock-outs, gheraos and also increase the labour turnover & absenteeism. The main aim of industrial relations is a complete mental revolution of workers and employees. The industrial peace lies ultimately in a transformed outlook on the part of both. Good industrial relations reduce the industrial disputes and it helps in promoting co-operation and increasing the production.

The Jute Industry, which is one of the oldest traditional industry providing employment opportunities to huge number of population particularly unskilled and semiskilled. As labour intensive industry huge employees particularly unskilled in the backward areas leads to poor industrial relations. Earlier studies revealed that there were lot of strikes and lockouts taken place in Jute Industry. This is one of the traditional industries which lost huge number of manly hours, loss of productivity due to poor industrial relations. So, the researcher studied the impact of liberalization on industrial relations in Jute Industry.

## 4. Review of Literature

The total literature available on the Jute Industry HR aspects, Effect of Liberalization on Industrial Relations in Jute Industry is of various types i.e., research reports (both published and unpublished dissertations), reports of the government and the papers published in various highly reputed journals. Surveys conducted by Ira Mitra, Supriya Roychowdhury, N. Bhattacharya and A. K. Chatterjee reveal that "works divulge that,in pre-liberalization jute mill labour

was most unstable and floating in character, and the labour supply in jute mills was greatly affected by the seasons. The bad living and working conditions, the low wage rates, and the fluctuations in the international jute market and hence in employment, leads to the failure of the leadership of jute mill workers."

Debashish Bhattacherjee and Tamal Datta Chaudhuri studies reveal that, "In India for the period 1960–86, a 'structuralist' macroeconomic model is advanced where the changing strength, structure and activities of unions are considered explicitly. The objective is to disentangle the effects of factors specific to the bargaining process from the effects of overall economic development."

Samita Sen said that, "In pre-liberalization the jute mills were male dominated, poor urban women who lived and worked in this environment were confronted with frequent sexual harassment and the difference between male and female earnings also.

The studies conducted by Amiya Kumar Bagchi and Mason, P.L. revealed that, "The effect of Globalization on historiography and the economics of labour is dotted with conceptual frameworks which posit any (or several) of the following kinds of dualism: Dualism of body and mind, Dualism of unfreedom and freedom under fully developed capitalism, Dualism of unfree (pre-capitalist, pre-colonial) and free (capitalist, colonial) markets, Dualism of industry and agriculture (as in Lewis-type models of dualistic growth and development), Dualism of formal and informal markets of labour, Dualism of primary

Surveys conducted by PravinSinha and The Economic Times February, 2002reveal that, "The trends indicate that in the years to come the Indian labour market will be of dual nature. The majority of the workforce would be unskilled/semi-skilled working on a casual basis. RanaHasan, DevashishMitra& K.V Ramaswamysaid that,"in the post liberalization, volatility in productivity and output gets translated into larger wage and employment volatility, theoretically a possible consequence of larger labour-demand elasticity, leads to the deleterious effect on the wages and employee relations."

## 5. Research Design

The research methodology, which is adopted in this study has been discussed under the following heads:
1. Method of data collection
2. Questionnaire Design
3. Selection of the sample
4. Techniques of Analysis and Interpretation

### 5.1. Method of Data Collection:

Keeping the objectives of the study in mind, the following methodology has been adopted for conducting the present study. While the views and opinions on broad issues have been collected from selected employees who have more than 15 years of experience from various departments and plants in the jute industry in North coastal Andhra Pradesh. The sample respondent employees constituted the main source of

information which is collected by administering a structured questionnaire. Not only the opinions of employees, the researcher should take the opinions of the management representatives, trade union leaders, various labour officers, and government officials of state and central government of the jute industry those who are having more than 15 years of experience.

### 5.2 Questionnaires Design

The researcher constructed a questionnaire using a five-point scale. Each statement in the questionnaire has five alternatives. The respondent was required to give his/her opinion by putting a tick (√) mark on any one of the five alternatives. The alternatives are Strongly agree, Agree, Neither agree nor disagree, Disagree and Strongly disagree. The questionnaire consists of 26 question of three segment i.e Wage and Salary Administration(12),Social security measure(7) and Welfare facilities(7). The questionnaire was related to industrial relations in post liberalization in North coastal Andhra Pradesh jute industry. Before administering the questionnaires, the researcher has conducted a pilot study in order to test the validity and appropriateness of the statements. To establish reliability and validity of the questionnaire, the researcher personally visited and conducted pre–test administrations of the questionnaire. This pre-test helped the investigator to structure the questionnaire and to improve the effectiveness of the final questionnaire.

### 5.3 Sample Design

The sample element must be derived from the population set which will be the true representation of the population set. The sample can be formed through probability and non-probability sampling techniques. We have used stratified-probability sampling techniques for deriving population set. The population has classified into a number of homogeneous sample element on the basis of employees experience. The sample size has calculated through online sample size calculation method using website www.surveysystem.com

### 5.4 Statistical Design

The researcher is to be tested the questionnaire which consists of 26 statements for its reliability by using Cronbach's alpha and fond that the overall reliability of the above variables and corresponding items used are acceptable. The researcher is interested to apply Cronbach's alpha test to measure of internal consistency that is, how closely related a set of items as a group. Cronbach's alpha can be written as a function of the number of test items and the average inter-correlation among the items.

Factor analysis is to be used by researchers to identify variables and a pattern of correlations within a set of observed variables. Here, a single respondent's opinion about all statements were totaled and divided with total number of respondents reached to average mean scores of each element. Standard deviation is a measure of how the observations are located in relation to the mean. If the standard deviation is high, it indicates that there is inconsistency; if it is low there is a consistency among the factors

Researcher can be used correlation matrix to check the pattern of relationships. Correlation table will be indicated the clarity for making comparison of each IR element with another element.Next to that, the researcher is interested to find KMO (Kaiser-Meyer-Olkin )and Bartlett's test to check the adequacy and association between elements.

# 6. Data Analysis and Interpretation

The researcher tries to check the validity of the questionnaire, adequacy of information, sufficient information through Cronbach's alpha breltel test. If alpha value is more than 0.5 then it is acceptable. The table 6.1 shows that Cranach's alpha value is more than the expected range for different district of 26 parameters aggregated by nine components which shows that the data is appropriate for analysis. The researcher also tries to find out the validity of data of the district of individual component. As a whole the table 5.1 shows the completeness of data set as whole or individual components**.**

**Table 5.1:** Reliability Statistics - Cronbach's Alpha

| Wage and Salary Administration | Social Security Measure | Welfare Facilities |
|---|---|---|
| .712 | .689 | .643 |

As we know that the first step of data analysis is to describe or summarize the characteristics and behavior of data set using statistical tolls. Here I have tried to analyze through Mean, Standard deviation and skewness of the statistical tools. The table 5.2 indicate that I have taken twelve parameters for analyze Wage and salary components for analysis.

**Table 5.2:** Descriptive Statistics

| Wage and Salary Administration Components | Mean | | Std. Deviation | Skewness | |
|---|---|---|---|---|---|
| | Statistic | Std. Error | Statistic | Statistic | Std. Error |
| Organization remunerates proportionate to employee work and ability. | 1.57 | .058 | .854 | -1.847 | .164 |
| Fair wage payment is main motivating factor to employee | 1.62 | .074 | 1.101 | 1.536 | .164 |
| The wage agreements take place from time to time. | 1.60 | .057 | .852 | -2.156 | .164 |
| Adequate employees' representation is given in wage agreement | 1.60 | .075 | 1.112 | 1.575 | .164 |
| Organization enhances DA based on the increasing cost of living. | 1.62 | .074 | 1.101 | 1.598 | .164 |
| Night shift allowance in the company is quite reasonable | 1.58 | .058 | .854 | -1.908 | .164 |
| Organization provides sufficient washing allowance. | 1.60 | .059 | .877 | -2.247 | .164 |
| Organization provides sufficient conveyance and transport allowance/ facility. | -.14 | .093 | 1.386 | 2.665 | .164 |
| The method of wage payment in the organization is quite reasonable. | 1.52 | .061 | .904 | -1.852 | .164 |
| Organization over time compensation is as per norms. | 1.49 | .062 | .924 | -1.782 | .164 |
| The incentive scheme in the organization is quite fair. | 1.59 | .074 | 1.105 | 1.675 | .164 |
| Compensation system in the organization keeps up morale of employees. | 1.47 | .066 | .986 | -1.744 | .164 |

The table indicates that the employer in general not providing sufficient conveyance and transport allowance facilities to their employees. The employee are having diversified opening for the parameters like "fair wage payment is main motivating factor to employee", " adequate employee's representation is given in wage agreement", " organization provides sufficient conveyance and transport allowance" and " the incentive scheme in the organization is quite fair". The standard error of mean is near about 0.05 which indicate that the employees are 95% confidence on their opinion. KMO and Bartlett's test of sphericity produces the Kaiser-Meyer-Olkin measure of sampling adequacy and Bartlett's test. I have already stumbled across KMO and Barlett's test and have seen the various criteria of adequacy, but with a sample of 200 I shouldn't have cause to worry.

**Table 5.4:** KMO and Bartlett's Test

| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | .794 |
|---|---|---|
| Bartlett's Test of Sphericity | Approx. Chi-Square | 398.823 |
| | df | 66 |
| | Sig. | .000 |

For the KMO statistic Kaiser(1974) recommends a bare minimum of 0.5 and that values between 0.5 and 0.7 and that values between 0.7 and 0.8 are good, values between 0.8 and 0.9 are great and values about 0.9 are superb ( hutcheson & sofronious, 1999). For these data the value is 0.794, which falls into the rang of being good. So we should be confident that the sample size is adequate for factor analysis.

Through the bivariate correlation matrix, I have checked the parameter relationship of Wage and salary administrations of Visakhapatnam district. As we know that the correlation value will be significant if most of the value lies between 0.2 and 0.7 for individual parameter. The table 5.5 indicates the correlation significance with the attribute. As from the table we find that most of the value lies less than 0.05 except two or three cases which indicates that the attributes/parameters are significant implication to the problem domain. All the parameters/attributes are suitable for the research.

**Table 5.5:** Correlation Significant Matrix Table

| | Wage and Salary Administration Parameters | WS1. | WS2 | WS3 | WS4 | WS5 | Ws6 | WS7. | WS8. | Ws9 | Ws10 | WS11 | WS12. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Sig. (1-tailed) | Organization remunerates proportionate to employee work and ability. | | .000 | .202 | .000 | .053 | .002 | .002 | .000 | .000 | .000 | .005 | .000 |
| | Fair wage payment is main motivating factor to employee | .000 | | .005 | .000 | .010 | .043 | .000 | .003 | .039 | .000 | **.126** | .000 |
| | The wage agreements take place from time to time. | **.202** | .005 | | .003 | .002 | .009 | .010 | .045 | .047 | .000 | .000 | .000 |

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Adequate employees' representation is given in wage agreement | .000 | .000 | .003 | | **.130** | .018 | .003 | .077 | .040 | **.143** | .005 | .000 |
| Organization enhances DA based on the increasing cost of living. | .053 | .010 | .002 | .130 | | .003 | .003 | .003 | .000 | .000 | .014 | .000 |
| Night shift allowance in the company is quite reasonable | .002 | .043 | .009 | .018 | .003 | | .000 | .000 | .000 | .000 | .000 | .001 |
| Organization provides sufficient washing allowance. | .002 | .000 | .010 | .003 | .003 | .000 | | .002 | .000 | .000 | .000 | .000 |
| Organization provides sufficient conveyance and transport allowance/ facility. | .000 | .003 | .045 | .077 | .003 | .000 | .002 | | .002 | .000 | .012 | .000 |
| The method of wage payment in the organization is quite reasonable. | .000 | .039 | .047 | .040 | .000 | .000 | .000 | .002 | | .000 | .002 | .000 |
| Organization over time compensation is as per norms. | .000 | .000 | .000 | .143 | .000 | .000 | .000 | .000 | .000 | | .007 | .000 |
| The incentive scheme in the organization is quite fair. | .005 | **.126** | .000 | .005 | .014 | .000 | .000 | .012 | .002 | .007 | | .000 |
| Compensation system in the organization keeps up morale of employees. | .000 | .000 | .000 | .000 | .000 | .001 | .000 | .000 | .000 | .000 | .000 | |

The table 5.6 shows the communalities before and after extraction. As we know that the communality is the proportion of common variance within a variable. Principal component analysis works on the initial assumption that all variance is common; therefore before extraction the communalities are all 1. In effect, all of the variance associated with a variable is assumed to be common variance. Once factors have been extracted, we have a better idea of how much variance is, in reality, common. The table shows that 66% of the variance associated with question1 is common or shared, variance. Another way to look at these communalities is in terms of the proportion of variance explained by the underlying factors. As most of the researcher indicates that the communalities value should be 0.4 and more for the factor analysis. The table 5.6 indicates that the data is suitable for the factor analysis.

**Table 5.6:** Communalities

| Wage and Salary Administration Parameters or Questions | Initial | Extraction |
|---|---|---|
| Organization remunerates proportionate to employee work and ability. | 1.000 | .664 |
| Fair wage payment is main motivating factor to employee | 1.000 | .373 |
| The wage agreements take place from time to time. | 1.000 | .733 |
| Adequate employees' representation is given in wage agreement | 1.000 | .640 |
| Organization enhances DA based on the increasing cost of living. | 1.000 | .315 |
| Night shift allowance in the company is quite reasonable | 1.000 | .420 |
| Organization provides sufficient washing allowance. | 1.000 | .323 |
| Organization provides sufficient conveyance and transport allowance/ facility. | 1.000 | .326 |
| The method of wage payment in the organization is quite reasonable. | 1.000 | .503 |
| Organization over time compensation is as per norms. | 1.000 | .510 |
| The incentive scheme in the organization is quite fair. | 1.000 | .329 |
| Compensation system in the organization keeps up morale of employees. | 1.000 | .429 |
| Extraction Method: Principal Component Analysis. | | |

The table 5.7 indicates the total variance explained for the research. Initially we have considered twelve no of attributes/parameters for the research but this table indicates the number of factors for attribute will be four. These attributes are identified whose Eigen values are more than one. The first parameters whose variance is 27.08% as compared to 9.624%, 9.033% for parameter -2 and parameter-3. These three parameters are explained 46.34% variance as a whole.

**Table 5.7:** Total Variance Explained

| Component | Initial Eigenvalues | | | Extraction Sums of Squared Loadings | | |
|---|---|---|---|---|---|---|
| | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % |
| 1 | 3.325 | 27.708 | 27.708 | 3.325 | 27.708 | 27.708 |
| 2 | 1.155 | 9.624 | 37.332 | 1.155 | 9.624 | 37.332 |
| 3 | 1.084 | 9.033 | 46.364 | 1.084 | 9.033 | 46.364 |
| 4 | .998 | 8.317 | 54.681 | | | |
| 5 | .876 | 7.297 | 61.978 | | | |
| 6 | .825 | 6.875 | 68.853 | | | |
| 7 | .777 | 6.472 | 75.325 | | | |
| 8 | .746 | 6.216 | 81.541 | | | |
| 9 | .646 | 5.381 | 86.922 | | | |
| 10 | .609 | 5.079 | 92.001 | | | |
| 11 | .537 | 4.477 | 96.478 | | | |
| 12 | .423 | 3.522 | 100.000 | | | |

Extraction Method: Principal Component Analysis.

We are tried to extract the factors which can be considered and so some information is lost. The retained factors cannot explain all of the variance presents in the data but they can explain some. The amount of variance in each variable that can be explained by the retained factors is represented by the communalities after extraction. However we requested that all loading less than 0.4 be suppressed in the output and the final factors are mentioned through table 5.8

**Table 5.8:** Factors of Wage salary administration of Visakhapatnam district

| Factor-1 | Factor-2 | Factor-3 |
|---|---|---|
| The method of wage payment in the organization is quite reasonable | Organization remunerate proportionate to employees work and ability | The wage agreement take place time to time |

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The table 5.8 indicates that the Visakhapatnam jute industry employees are concerned about the these factors i.e The method of wage payment in the organization is quite reasonable, Organization remunerate proportionate to employees work and ability and the wage agreement take place time to time.

Similar type of test has been carried out for social security measure for seven parameters i.e the job in the organization is secure, job security make more commitment and loyalty towards the organization, organization gives more importance to employees health, in accident including fatal accident the employees are adequately compensated, organization provides sickness and maternity benefits, the medical facility is quite good, organization provides death benefit assistance. Initial the data set is tested through reliability test whose value is .575 which indicate that the data are valid, adequate and reliable for further analysis.

| Factor-1 | Factor-2 |
|---|---|
| Organization provides sickness and maternity benefits. | Job security makes more commitment and loyal to the organization |

The employees' views and opinions on various aspects on Welfare facilities measures in the Jute industry in Post Liberalization in North Coastal Andhra Pradesh have been elicited and discussed. Seven parameters are taken for measuring the social security measures in respect of which the employees' opinions are collected on a five-point scale and compare with the help of weighted averages and overall weighted averages which are given below tables. Also analyze the opinions by parameter wise using descriptive statistics and factor analysis.

Initially the data set is analyzed through descriptive statistics. Here the researcher have tried to analyze through Mean, Standard deviation and Skewness of the statistical tools. The researcher have taken seven parameters ie Organization welfare facilities will influence the good industrial relations, Rest rooms, lunchrooms, washing facilities and drying & storing clothes facilities provided are quite good, Organization provides sitting facilities for standing workers., Organization arranges first aid boxes and ambulance facility, Organization provides hygienic food items in the canteen. Organization provides purifying drinking water facility, Organization is very much concerned about employee well-being. The mean standard error is less than 0.05 which indicates that the researcher have taken sufficient care for data collection. The standard deviation for all the attributes are around 0.8 which shows that employee are still sufficient variation in their answer which can be analyzed. The skewness statistics is almost negative except the attribute "organization provides death benefit assistance". The skewness statistics indicates that employees are more disagree in their opinion of attributes. Through factor analysis we have tested KMO value and the data value is 0.912, which falls into the range of being superb. The factor shows only one components through rotated matrix, which indicate that all the parameters are useful for the employee's point of view.

## 7. Conclusion

The members of the industrial relations are employees, employer, trade unions and government. For harmonious industrial relations these four play a significant role. These four are independent as well as interlinked and interdependent also. Jute industry is an employee intensive industry. The organization sustainability is depending on the good industrial relations, According to the detailed study and survey, here the researcher give some suggestions to the Employees, Employers, Trade unions and Governments to improve the Industrial relations. They are as follows: the organization should provide sickness and maternity benefit to their employees, job security makes more commitment and loyal to the organization,The method of wage payment in the organization is quite reasonable, organization remunerate proportionate to employees work and ability, the wage agreement take place time to time.

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