

Grievance Handling Procedure in ITES Companies

M.R. Vidhya

Assistant Professor (Research Scholar), Anna Adarsh College for Women Anna Nagar, Chennai – 600 040.

I. Introduction

Any discontent or dissatisfaction which an employee faces or even imagines, when not addressed properly in a company, is treated as grievance. Every employee while joining a company has certain expectations about the company. Over a period, if those expectations are not met, there arises discontent and if this is not addressed properly, creeps out as grievance. There can't be a company which is grievance free. However, every company should have a proper grievance handling mechanism. Grievance is an upward communication. It brings out important information about creeping problems to the management in advance.

Grievance may be real or imaginary, valid or otherwise, genuine or false. The grievance of employees ought to be addressed since grievance may result in unhappiness, frustration, discontent, poor morale and very importantly it adversely affects production.

Prof Pigors and Meyers define "grievance as dissatisfaction, dissatisfaction of an employee is anything that disturbs the employee whether expressed or not". **Dale Yoder** says "grievance is a written complaint filed by an employee and claiming unfair treatment"

Prof Tripathi says dissatisfaction becomes a complaint, and if a complaint is not addressed properly, becomes a grievance. **The National Commission on Labour(India)** observes that a complaint affecting one or more individual workers in respect of their wage payment, OT, leave, transfers, promotion, seniority, work assignment, and discharge would constitute grievance.

Every company wants their employees to be happy. As happy employees only can be committed and could produce effectively, companies try hard to make their employees happy. Maintaining good relation with customers alone won't suffice, maintaining good relation with employees i.e **internal customers** is also important. The dream job for young Indians is a decent job in IT or ITES companies. In spite of this attraction, this sector suffers from the problem of attrition. Many academicians have brought the insights of this problem. An aggrieved employee, if not addressed properly may leave the company. Grievance handling play a vital role in curbing attrition. This article brings out the importance of Grievance handling in ITeS sector.

Indian IT and ITeS Sector

The US \$ 100 billion IT and ITES industry, which employs over 2.8 million employees directly, is functioning without any labour governance framework. The IT industry has become extremely large today. In FY 2012, the Indian IT-BPO industry aggregate revenues crossed US\$ 100 billion mark, with exports at US \$ 69 billion—from half a million workforce in 2000 to 2.8 million in 20120.

The trend in IT and ITeS has also changed. From a time when IT workforce was seen as creamy layer concerning technical skills, it has now opened to all. It employs both skilled and semi-skilled personnel. The work that was very technical has changed into routine and repetitive work.

The so-called lucrative IT sector has become less attractive due to competitive pressure, which has pushed down pay, benefits and employment conditions. Stress is one of the major problems of ITeS workers; long working hours, odd shift timings, living with multiple cultures, have oiled the problem of stress.

For an industry of such a huge size, there is no external audit of working condition and support system. Few voluntary associations like UNITES, ITEC, ITHI cater to the employees' need. But they cannot do much to employees, as unions used to help their members, because of the nature of IT and ITeS companies. (**The Hindu Business Line, Oct 10&11, 2012**)

Causes of grievances and how it can be understood?

"Grievance means any discontent or dissatisfaction, whether expressed or not, and whether valid or not, arising out of anything connected with the company, that an employee thinks, believes or even feels, is unfair, unjust or inequitable" (**Michael J Jucius**) Employee complaints may vary from cleanliness of rest rooms to job flexibility. Employees grievances may be grouped into economic, working environment, supervision, work group and work organization (Power Finance Corporation Consultant)

Economic	Pay fixation, computation, OT, Bonus, Incentives
Work environment	Poor working condition, defective system/equipment, materials
Supervision	Perceived notion of favoritism, bias, superiors lack of managerial and technical skills, bullying
Work group	Incompatibility with peers, feeling of neglect
Work organization	Rigid unfair rules, lack of recognition

The employees of IT and ITES companies come with different cultural backgrounds and with different expectations. The above table highlights some of the grievances of employees. The mere fact that grievance exists is not poor management, but if the grievance is not addressed properly the management is lacking somewhere.

Excellent management anticipates and prevents grievances, Good management redresses grievances as and when they arise, but a poor management does not even know the existence of grievance at all. Companies adopt different strategies to identify grievances of employees; the popular methods are **Exit interviews**, i.e well planned exit interviews to elicit the reason for employees leaving the organization, **Gripe boxes**, in which employees can drop their complaints, **Opinion surveys** in which employees opinion regarding a policy or a scheme is found out to check any discontent or dissatisfaction. **Open door policy**, where employees can step into manger's cabin to discuss or redress their grievances. Some companies adopt **walk around strategy**, where mangers walk through the work floor to check out employees complaints.

Impact of Grievances

When grievance arises, employees' morale is affected badly, thereby the way employee works is affected adversely. Even for top performers when they have grievance, their performance is affected badly: it comes down. Some of the effects of grievance are listed below:

- ◆ Loss of interest in work,
- ◆ lack of morale and commitment
- ◆ Poor quality of production
- ◆ Increase in wastage and costs
- ◆ Increase in employee turnover
- ◆ Indiscipline

Redressal of grievances

Grievance is not immune, it is a virus that affects employee's physical and mental well-being, drastically affecting the employees' involvement in work. Organisations cannot wait for the grievance to settle on its own.

There should be a proper grievance handling mechanism, which is fair and transparent. The common redressal procedure goes like this:

Complaint → Immediate supervisor → Manager → HR Personnel → Arbitration

The normal grievance handling procedure starts with the immediate supervisor; if it is not redressed, then it is escalated to the manager level, then to HR personnel and even if it is not redressed properly, finally, a voluntary arbitration can be done. Most of the IT and ITES companies have their own grievance redressal mechanisms, which is also noted down in employees manual. Companies such as TCS have their portal for grievances, where employees can express their concern, which will be taken up by top management.

For proper and effective working of Grievance Redressal Mechanism, Management should take sincere efforts. Every Grievance, whether true or not, Significant or insignificant, should be given importance. Effort should be taken to redress the grievance quickly. Management should decide after considering all relevant points. Every grievance should be in writing. As soon as the grievance is redressed, the result should be communicated to the employee and follow up to be done to ensure whether the employees have come out of grievance. *Management should act democratically rather than defensive, in handling employees grievances.*

II. Review of Literature:

1. Dissatisfied workers cannot produce at full capacity, which leads to loss of production. Effective grievance handling not only improves employees' morale but also productivity and employer employee relationship. Model grievance handling procedure is also developed. (Dr. Nilash Thakre, 2013)

2. BPO companies is a green pasture for many youngsters, as it offers fat salary package, sophisticated working environment, including health and gym facility. The attractions seem too good to be true, as there is inherent problem in this sector which is known for its graveyard timing, problems in work life balance, safety of women employees. The article also highlights the role played by companies in eliminating these problems. **(Meenakshi Sharma)**
3. The role of supervisor is important in redressal of grievances. Supervisors has to avoid bad or rude gestures, should listen actively, note down misstatements for further reference. The attitude of supervisors plays a vital role in grievance redressal. The whole lot of grievance process starts with the informal discussion with the immediate supervisor. **(<http://dcbflegal.com>)**
4. Managers adopt different styles in handling employees and their grievances. There is integrating style, where managers have high concern for self as well as the aggrieved employees. It is concerned with openness, exchange of information, and examination of differences. Compromising style involves moderate concern for self as well as other party is concerned. This is based on give and take principle. Sharing resources or viewpoints where both the parties are benefitted. In Dominating style of supervision there is high concern for self and low concern for the aggrieved party. It is a win lose situation, where, supervisor occupies defending position, power oriented and competing . Personality of managers also influences the way in which grievances are handled. There are extroverts (people who are open, sociable, assertive), Agreeable, ie those managers who are tender hearted, have tendency to agree with employees, concerned with finding solution that is satisfactory to all persons concerned, and Conscientious managers who are task oriented , responsible, they are information seeking, believe in facts rather than emotions. The study was conducted empirically in Malaysia, and it was found that extraversion is negatively and significantly influencing integrating style. Conscientiousness significantly influences dominating style and emotional stability influences compromising style. **(Zulkifile Bin Daud e al, 2011)**

III. Methodology

To understand the real time grievances of ITES employees, a survey was conducted among 250 employees of an e- publishing company in Chennai. The objectives of the study are:

1. To understand the grievances of employees
2. To identify the employees' attitude towards grievance handling mechanism of their company.

Fact Sheet

- Total respondents are 250. Their response to various grievance-handling dimensions is given in terms of percentage.
- Employees who have experienced grievance 52% and not experienced grievance 48%
- Of those who have experienced grievance 81% - have expressed 19% have not expressed grievance at all.
- Grievance is caused by:

Reason	Percentage of respondents
OT/Sunday Work	38
Pay or Incentives	21
Work procedure	16
Shift allocation	12
Leave	11
Others	2

- Grievance is carried forward to:

Person to whom grievance is carried forward	Percentage of respondents
Share with friend	32
Supervisor	24
Manager	18
Won't raise at all	8
Immediate supervisor and manager	7
Manager and share with friend	3
Others	8

➤ Channel of raising grievances

Channel	Percentage of respondents
Word of Mouth	72
Complaint box	13
E mail	9
Others	6

➤ Normal time taken for redressal of grievances

Normal time taken for redressal of grievances	Percentage of respondents
Less than a week	61
1-2 weeks	24
2-4 weeks	10
More than 4 weeks	5

Findings

Percentage analysis was used to study the sample. 66.4% of the employees were female. The study and the sector in general are dominated by female employees at the entry level. Women nowadays have come out of the traditional comfort zone of teaching and banking to adventurous jobs. They take pride in their career in IT industry. This is in fact a blessing in disguise. The so-called attractive industry poses work life balance problems to women rather than other sectors. 80% of the respondents were single, and 88% of the respondents were production staff and 7% Team Leaders. As approaching top-level managers in this sector is difficult, questionnaire was administered only at the entry level and few middle level management staff. 98% of the respondents felt that their normal working time is 8 hours a day, only 2% said that it is between 10 and 12 hours a day.

Findings Regarding Grievance

Today's younger generation is facing competitive labour environment, where there is an abundant supply of technically skilled personnel. This forces them to accept and accommodate to the environment in which they work. Else, their employer could find an easy replacement. Many people do not even recognize that they have grievance, even if they notice they do not bother about it. The study highlights that of 52% of the respondents who experienced grievance in their organization. 32% of them share with their friend, 24% raise their concern to their immediate supervisor/coordinator, 18% share with their manager. 61% of those who expressed their grievance said that their grievance was redressed within a week, 24% said it was resolved within 1-2 weeks. Overtime, Sunday work, pay, other incentives, work procedure, shift allocation, leave policies are the major causes of grievances. 72% of the employees carry their grievance through word of mouth. It is believed that the formal grievance procedure takes long time and their stress level is also increased. Majority of the employees would like to solve the issue through informal methods. Eleven statements soliciting the employees' perception towards grievance handling mechanism were asked, using five-point scale ranging from "Always" to "Never". Employees have favourable attitude towards the following: 44% of them are comfortable with the clarity and simplicity of grievance handling procedure, 40% affirm that grievances are handled without any discrimination and facts of grievances are checked rather than hearsay, management has a positive approach towards GHP, 49% of the respondents, felt that their superiors actively listens to their grievances, 44% of the employees feel that grievance hearing is done privately.

The employees' response is slightly unfavourable towards the following statements: Investigation is communicated to them after redressal, open door policy is adopted for handling grievances, and only 36% have said that GHP is fair and transparent. For all the statements almost 35-40% opined "sometimes", which infers as they hesitate to take stands and would like to revolve around the median. There should be a proper communication system which encourages employees to voice their grievance. Those who have not expressed their grievance have given various reasons for not raising their voice. Some of the views are:

"Because I feel that even though I hold a valid reason, the management will try to prove that they are correct. And mainly to whom I am going to express my opinion is the person exploiting me, so it's merely a waste of time"

"In every job, we have to face problems, we have to adapt to environment"

“Everybody is dispensable here. They will just terminate employment and fill your place”

Grievances that are resolved at the right time help both the management and the employees. Unlike computers which execute the commands very well, employees are complete human beings coming to work with their knowledge backed by their emotions. It is very important for the management to treat them well and give due regard to their grievances.

IV. Conclusion

Service sector giants, IT and ITeS companies, depend on their customers for their success. This is possible only with happy and committed employees. **Grievance handling is preventive rather than curative.** It alerts the company about an issue or concern before it becomes a big problem. Once an employee is convinced of existence of a fair grievance redressal, he feels comfortable working in the concern and feels valued. When there is a channel to vent their grievance, employees feel relieved. The study highlights that employees have faced grievance at one point of time. But only half of them have expressed it. ITES employees grievance is regarding their allocation of OT and Sunday work, and the second major grievance is Pay or incentives. As their pay is linked to their performance it adds to their pressure, fuelling up the issue. One interesting outcome of the study is that their immediate superior actively listens to their grievances. This is a good sign. By training superiors to handle those grievances effectively will help a lot for the company. Proper grievance handling checks expensive employee turnover. The major grievance of employees is with regard to the workflow and procedure, and this can be resolved if employees are also involved in planning the workflow. Instead of going thro formal channels they prefer carrying their grievance thro word of mouth(72%) . The reason may be either due to friendly environment created by ITES companies, or the employees do not want to make record of their grievance through formal channels. Management should try hard to instill confidence in the minds of the employees that their grievance will be addressed fairly and taken care of. For this to materialize Grievance handling Procedure should be in practice rather than in papers. To conclude, grievance is not negative, but a positive, function which gives the company a proper direction.

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