

# Grievance Handling in Ranbaxy: A Case Study

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## Abstract

*The maintenance of quality work-life is the biggest challenge for any organization today. The failure to meet the standards would generate grievances among the employees and would have a bearing upon the harmonious relationship in the workplace. Broadly, a grievance can be defined as any discontent or dissatisfaction related to organizational matters. It can be real or imaginary, rated or unvoiced, written or oral.*

*A grievance is any alleged violation of the contract, past practice, employer rules, previous grievance or arbitration settlements, or violation of any such law. An employer is under an obligation to state in the terms and conditions of employment, the details of the person concerned to whom any employee who has a grievance may approach.*

*Every organization strives to establish an excellent working environment. This would further facilitate increased employee morale and a better performance and thus help an organization to achieve its goals. Grievance handling procedure in Ranbaxy is my topic of research. In this I am going to discuss about the various aspects related with the grievances of the employees, their satisfaction level with the grievance handling procedure being followed by the company, The satisfaction level towards the working arrangement, practices and methods used to solve grievance in the company, etc.*

## Introduction

According to the International Labour Organization (ILO) a grievance is:

“A complaint of one or more workers with respect to wages and allowances, conditions of work and interpretation of service stipulation, covering such areas as overtime, leave, transfer, promotions, seniority, job assignment and termination of service.”

Every employee contributes his level best in the performance of an organisation and in return has certain expectations from the organisation he is working for. The failure of fulfillment of an employee’s expectations give birth to discontent and dissatisfaction. This discontent or dissatisfaction is known as grievance.

The workplace grievances may arise because of a

number of factors like work rule or regulation, policy or procedure, contract, health and safety regulation, interpersonal relationships, unfair treatment, wage, bonus, changing the cultural norms unilaterally etc. Maintaining quality of work life for its employees is an important concern for the any organisation. The grievance handling procedure of the organisation can affect the harmonious environment of the organisation

It is beneficial to resolve these grievances, before it is too late. In this respect the role of the management can not be ignored. The management should make an effort to understand the problems and issues of the employees and resolve them amicably. This would also help in building a culture of high performance. Managers need to be educated about the importance of the grievance process and their role in maintaining favorable relations with the union.

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The need to resolve these grievances cannot be ignored upon. Effective grievance handling is a crucial aspect of cultivating good employee relations and running a fair, successful and productive workplace. It should be kept in mind that relationship building is key to successful labour relations.

The organisations should make an effort to establish such an environment that may lead to an increased employee morale and performance which may further contribute to the productivity of the organisation.

## Company Profile

Ranbaxy Laboratories Limited, India's largest pharmaceutical company, is an integrated, research based, international pharmaceutical company, producing a wide range of quality, affordable generic medicines, trusted by healthcare professionals and patients across geographies. Ranked 8th amongst the global generic pharmaceutical companies, Ranbaxy today has a presence in 23 of the top 25 pharmaceutical markets of the world. The Company has a global footprint in 48 countries, world-class manufacturing facilities in 10 countries and serves customers in over 125 countries.

## Literature Review

The revolt of English barons in the early thirteenth century which led to the Magna Carta of 1215 was partly motivated by grievances against abuses by King John. This right to petition the king, for grievances, was affirmed in the bill of rights 1689.

The United States declaration for independence is mainly an enumeration of the colonists' grievances against King George III. The right "to petition the Government for a redress of grievances" is recognized in the first amendment to the United States government.

As 'grievance' is an abstract term, defining it distinctly is therefore rather difficult. Different authors have defined the word grievance in various ways. For example, Davis defines it as "any real or imagined feeling of personal injustice which an employee has concerning his employment relationship.

On the other hand, Yoder and Staudohar have defined grievance as a written complaint filed by an employee and claiming unfair treatment. In the view of Jucius the term "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 feel, is unfair, unjust or inequitable"

The grievances of the employees are related to the contract, work rule or regulation, policy or procedure, health and safety regulation, past practice, changing the cultural norms unilaterally, individual victimization, wage, bonus, etc. Grievance procedures are a means of dispute resolution that can be used to address complaints by employees against management or to settle disputes between a company and its suppliers, customers, or competitors.

Since the evolution of this term, a number of researches have been conducted to map the impact of grievances on various factors in the workplace. Grievances should be solved in the lateral stages, as and when they arise before they take some major form and also to order to avoid any severe condition that may take place.

Some researches have also proved that grievance procedures do not necessarily have to be so formal and elaborate, and in fact, overly formal grievance procedures often discourage the airing of disputes in a timely manner.

Though some of the studies have also proved that at times employees hesitate to come up with their grievances as they feel it would act against them or they often view these grievance handling mechanism as biased towards the employee

In general the nature of grievance falls under the given categories in most Indian organizations, however it may vary from organisation to organisation:-

### i. Promotions

- Supersession
- Acting Promotion
- Seniority
- Pay Fixation

**ii. Compensation**

- Increments
- Payment
- Recovery of Dues

**iii. Amenities**

- Inequitable Distribution
- Entitlement
- Medical Benefits

**iv. Service Matters**

- Transfers
- Continuity of Service
- Superannuation

**v. Disciplinary Action**

- Punishment
- Fines

**OBJECTIVES**

- 1) To study the procedure being followed in Ranbaxy to solve employee grievances.
- 2) To study the nature of grievances that occur in the organisation.
- 3) To know whether the grievances were being solved or not.
- 4) To study the methods and practices used to solve the grievances.
- 5) To measure the effect of proper grievance handling on the performance of the employees.
- 6) To measure the satisfaction level of the employees towards the grievance handling methods.

**Research Methodology**

Research methodology is a way to systematically solve the research problem. It may be understood as a science of studying how research is done scientifically. (Kothari 1998)

The research used in this project is descriptive.

**Descriptive Research**

The major objective of descriptive research is to describe something usually market characteristics or functions.

**Population and Sample:** For the purpose of study, the population is the employees of the Ranbaxy (both Mohali-I and Mohali-II)

The sample size is 50.

**Data Collection Method:** Survey method was used to collect data.

**Research Instrument:** Questionnaire was used. It was both open and close-ended in nature.

**Sample Technique** Simple random sampling is being used in this project.

The hypothesis for the study would be:

$H_0$ : There is no significant effect of proper grievance handling mechanism on the performance of employees.

$H_1$ : There is a significant effect of proper grievance handling mechanism on the performance of employee.

**Interpretation of Results and Findings**

$H_0$ : There is no significant relationship between the age-group and the satisfaction level with the grievance handling procedure.

$H_1$ : There is a significant relationship between the age-group and the satisfaction level with the grievance handling procedure.

Here, the significance level  $.701 >$  than  $0.05$ . Hence,  $H_0$  is accepted. Therefore, there is no relationship between age-group and satisfaction level.

**Summary and Conclusion**

Every organisation has realized the importance of resolving grievances in an effective manner. A grievance can be defined as any sort of dissatisfaction, which needs to be redressed in order to bring about the smooth functioning of the individual in the organization.

After the analysis of the primary data, that was being collected for this topic, it was found that age-group has no significant influence on the satisfaction level of the employees with the grievance handling mechanism in the

organisation. This itself makes it clear that grievance can occur at any age and at any time irrespective of the tenure of the service in an organisation.

Most of the employees are satisfied with the grievance handling mechanism of the organisation, but a majority still opines that it can be further improved for the betterment.

A large number of the employees also agreed to the point that the management should pay more attention towards the problems of the employees. This would be beneficial for both employees and the organisation.

Most of the employees are satisfied with the response of the HR department towards the grievance of the employees. However, some are dissatisfied also. So, the HR department needs to sort out this issue also.

The employees also feel that grievance details need to be documented by the organisation, for further utilization of the same. Most of them also feel that their immediate supervisor are competent enough to handle their grievance and there is no such immense need for their further training.

It was also evident that a large number of employees are fully satisfied with the lighting system, medical facility, canteen facility and the quality of the food that is being offered there.

The employees also have a different opinion about their working hours, some of them are satisfied with it and some showed some kind of unhappiness with it. Similar is the case with respect to the leave granting system.

It was also being found that the employees are happy with the training procedure that is being designed for the workers of every module. This is a good sign for the organisation.

One interesting fact that was found, was that the lack of proper grievance handling has a bearing upon the performance of the employees. This aspect should always be taken care of as an individual's performance is linked with that of the organization's.

Hence, it can be said that, grievances handling is a key driver of employees satisfaction. Though grievances may

arise because of intra-personal problems of individual employees and union practices but it should be controlled effectively for betterment of the organization.

## Recommendations

- 1) The management should devise strategies to manage younger, male, more educated and more skilled employees because these are employees who are most likely to file grievances.
- 2) There is a need of a proper grievance handling cell in the organisation, for speedy redressal of an employee's grievance.
- 3) The absence of proper two-way flow of communication can indeed be a fertile ground for breeding grievances. So there should be a proper communication system in the organization.
- 4) The employees also suggested the hr policies of the organization to be updated.
- 5) The performance appraisal also needs to be worked upon.
- 6) An open door policy can also be implemented.

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**TABLE 1**

AGE * Satisfaction level with the grievance handling procedure Crosstabulation						
Count		Satisfaction level with the grievance handling procedure				
		extremely low level of satisfaction and strongly disagree	low level of satisfaction and moderately disagree	moderate level of satisfaction and neither agree nor disagree	high level of satisfaction and strongly agree	Total
AGE	20-30	0	2	5	12	19
	30-40	1	1	4	7	13
	40-50	1	1	3	4	9
	50-60	1	0	0	3	4
	ABOVE 60	0	1	0	4	5
Total		3	5	12	30	50

**TABLE 2**

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	9.023 <sup>a</sup>	12	.701
Likelihood Ratio	11.696	12	.470
Linear-by-Linear Association	.004	1	.953
N of Valid Cases	50		
a. 17 cells (85.0%) have expected count less than 5. The minimum expected count is .24.			