



"Role of Collective Bargaining in Preventing Industrial Disputes: Evidence from Selected Industrial Sectors of Western Odisha"

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Abstract

Collective bargaining is an important mechanism for promoting industrial harmony and preventing workplace conflicts. Through structured negotiations between employers and employees, it facilitates the resolution of issues related to wages, working conditions, employee welfare, and grievance handling, thereby reducing the likelihood of industrial disputes. The present study examines the role of collective bargaining in preventing industrial disputes in selected industrial sectors of Western Odisha.

The study adopts a descriptive and analytical research design. Primary data were collected through a structured questionnaire from employees working in selected industrial organizations located in Sambalpur and Sundargarh districts. Using stratified random sampling, 227 valid responses were obtained for analysis. Descriptive statistics, correlation analysis, and regression techniques were employed to assess the relationship between collective bargaining practices and industrial dispute prevention.

The findings indicate that effective collective bargaining significantly contributes to reducing industrial disputes by enhancing communication, employee participation, mutual trust, and cooperation between management and employees. The statistical analysis reveals a significant relationship between collective bargaining practices and industrial harmony. Organizations with stronger collective bargaining mechanisms experience

fewer workplace conflicts and better labour-management relations.

The study concludes that collective bargaining remains an effective tool for preventing industrial disputes and promoting sustainable industrial relations in industrial organizations.

Keywords: Collective Bargaining, Industrial Disputes, Industrial Relations, Labour-Management Relations, Western Odisha

1. Introduction

Industrial relations constitute an essential component of organizational effectiveness because they influence workplace harmony, employee morale, productivity, and long-term business sustainability. In modern industrial organizations, maintaining cordial relations between employers and employees has become increasingly important due to changing labour dynamics and workforce expectations. Among the various mechanisms available for managing labour-management relations, collective bargaining has emerged as one of the most effective tools for promoting industrial peace and resolving workplace issues through mutual negotiation (Kaufman, 2020).



Collective bargaining refers to a process through which representatives of employers and employees negotiate terms and conditions of employment, including wages, working conditions, benefits, grievance procedures, and job security. By providing a formal platform for dialogue and consultation, collective bargaining helps reduce misunderstandings, address employee concerns, and create a cooperative work environment. Visser (2019) observed that effective collective bargaining contributes significantly to labour-market stability and strengthens labour-management relations by encouraging consensus-based decision-making.

Industrial disputes remain a major concern for organizations because they can disrupt production, reduce productivity, increase operational costs, and adversely affect organizational reputation. Disputes may arise due to disagreements over wages, working conditions, disciplinary actions, employee benefits, or employment policies. The Industrial Relations Code, 2020 emphasizes the importance of negotiation, conciliation, and collective mechanisms for maintaining harmonious industrial relations and reducing workplace conflicts (Ministry of Labour and Employment, 2020).

Several studies have highlighted the role of collective bargaining in preventing industrial disputes and fostering industrial harmony. Kalleberg (2021) argued that employee participation, communication, and fair workplace practices contribute significantly to organizational stability and reduce the likelihood of workplace conflicts. Similarly, Mamoria, Mamoria, and Gankar (2022) emphasized that collective bargaining serves as a preventive mechanism by enabling the peaceful settlement of differences before they escalate into industrial disputes. Effective bargaining arrangements also help build trust and cooperation between management and employees, thereby minimizing adversarial labour relations.

Western Odisha has emerged as an important industrial region with the presence of steel, aluminium, power generation, manufacturing, and allied industries. Sambalpur and Sundargarh districts, in particular, host several large industrial establishments employing a substantial workforce. In such industrial settings, maintaining industrial peace is essential for ensuring uninterrupted production and sustainable growth. However, despite the industrial significance of the region, limited empirical research has examined how collective bargaining contributes to the prevention of industrial disputes within these sectors.

Against this background, the present study investigates the role of collective bargaining in preventing industrial disputes in selected industrial sectors of Western Odisha. The study seeks to examine the effectiveness of collective bargaining practices in promoting industrial harmony and minimizing workplace conflicts while providing useful insights for management, trade unions, and policymakers.

2. Literature Review

Collective bargaining has long been recognized as a significant mechanism for promoting industrial peace and reducing workplace conflicts. Kaufman (2020) argued that collective bargaining provides an institutional framework through which employers and employees can address workplace issues through negotiation rather than confrontation. According to the author, effective bargaining arrangements enhance communication, reduce mistrust, and contribute to stable industrial relations.

Visser (2019) examined the role of collective bargaining in contemporary labour markets and observed that organizations with well-established bargaining systems generally experience fewer industrial conflicts. The study emphasized that collective agreements create clear expectations regarding employment conditions and provide mechanisms for resolving disagreements before they escalate into disputes.

Hayter (2015) highlighted the importance of collective bargaining in promoting workplace cooperation and social dialogue. The study reported that bargaining processes facilitate mutual understanding between management and employees, thereby reducing the likelihood of strikes, lockouts, and other forms of industrial unrest. The author further noted that collective bargaining contributes to long-term industrial stability by fostering trust and collaboration.

Bamber, Lansbury, Wailes, and Wright (2021) emphasized that collective bargaining remains a critical component of industrial relations systems across both developed and developing economies. Their findings suggest that organizations



adopting participative bargaining approaches experience stronger labour-management relationships and lower levels of workplace conflict.

In the Indian context, Mamoria, Mamoria, and Gankar (2022) observed that collective bargaining plays a vital role in maintaining industrial harmony by providing employees with a formal platform to express grievances and negotiate employment conditions. The authors argued that proactive bargaining mechanisms can prevent minor disagreements from developing into major industrial disputes.

Sharma (2021) investigated labour-management relations in Indian manufacturing industries and found that effective collective bargaining significantly reduced the incidence of industrial disputes. The study concluded that organizations encouraging employee participation and regular dialogue were better able to maintain industrial peace and operational continuity.

Singh and Verma (2022) examined dispute resolution mechanisms in industrial organizations and reported that collective bargaining contributes positively to conflict prevention by improving communication and strengthening mutual trust. Their findings indicate that collaborative negotiation processes are more effective than adversarial approaches in resolving workplace issues.

Overall, the reviewed literature suggests that collective bargaining serves as an important mechanism for promoting industrial harmony, strengthening labour-management cooperation, and preventing industrial disputes. However, empirical evidence focusing specifically on industrial sectors in Western Odisha remains limited, creating a need for further investigation in the regional context.

2.1 Research Gap

The review of literature indicates that several studies have examined the relationship between collective bargaining and industrial relations, employee participation, and workplace conflict management. Existing research largely focuses on developed economies or broader national contexts, while limited attention has been given to the role of collective bargaining in preventing industrial disputes within industrial sectors of Western Odisha. Moreover, empirical studies examining labour-management relations in the industrial establishments of Sambalpur and Sundargarh districts remain scarce. Therefore, the present study seeks to address this gap by investigating the role of collective bargaining in preventing industrial disputes in selected industrial sectors of Western Odisha.

3. Research Methodology

3.1 Research Design

The study adopts a descriptive and analytical research design. A quantitative approach is employed to examine the role of collective bargaining in preventing industrial disputes through statistical analysis of employee responses.

3.2 Objectives of the Study

1. To examine collective bargaining practices in selected industrial sectors of Western Odisha.
2. To assess the extent of industrial disputes in the selected industrial sectors.
3. To analyze the role of collective bargaining in preventing industrial disputes.
4. To suggest measures for strengthening collective bargaining mechanisms and promoting industrial harmony.

3.3 Hypothesis of the Study

H₀: There is no significant relationship between collective bargaining and industrial dispute prevention in selected industrial sectors of Western Odisha.



H₁: There is a significant relationship between collective bargaining and industrial dispute prevention in selected industrial sectors of Western Odisha.

3.4 Variables of the Study

The study comprises one independent variable and one dependent variable.

- Independent Variable: Collective Bargaining
- Dependent Variable: Industrial Dispute Prevention

The study examines the influence of collective bargaining practices on the prevention of industrial disputes in selected industrial sectors of Western Odisha.

3.5 Study Area

The study focuses on selected industrial sectors located in Sambalpur and Sundargarh districts of Western Odisha. These districts represent important industrial centres with the presence of steel, aluminium, power generation, manufacturing, and allied industries.

3.6 Sources of Data

The study utilizes both primary and secondary data. Primary data are collected through a structured questionnaire administered to employees, while secondary data are obtained from books, journals, government reports, labour legislation, and related research studies.

3.7 Population of the Study

The population comprises employees working in selected industrial organizations belonging to the steel, aluminium, power generation, and manufacturing sectors in Sambalpur and Sundargarh districts of Western Odisha.

3.8 Sampling Technique and Sample Size

A stratified random sampling technique is employed to ensure representation from different industrial sectors. A total of 320 questionnaires are distributed among employees. Out of these, 287 questionnaires are returned, of which 13 are found incomplete. Consequently, 274 valid responses are considered for final analysis.

3.9 Tools for Data Analysis

The collected data are analyzed using descriptive statistics such as frequency, percentage, mean, and standard deviation. Pearson's correlation and simple linear regression are employed to examine the relationship between collective bargaining and industrial dispute prevention.

3.10 Reliability and Validity

The reliability of the research instrument was assessed using Cronbach's Alpha coefficient. The results indicated satisfactory internal consistency, with Cronbach's Alpha values of 0.861 for Collective Bargaining and 0.838 for Industrial Dispute Prevention. Since both values exceeded the recommended threshold of 0.70 (Hair et al., 2019), the instrument was considered reliable for the study.

Content validity was established through an extensive review of relevant literature and consultation with subject experts in the field of industrial relations and human resource management. Necessary modifications were incorporated based on expert suggestions to ensure the relevance, clarity, and adequacy.

4. Data Analysis and Interpretation

This section presents the analysis and interpretation of data collected from 274 employees working in selected industrial sectors of Sambalpur and Sundargarh districts of Western Odisha. The analysis focuses on evaluating collective



bargaining practices, examining industrial dispute prevention mechanisms, and assessing the relationship between the two variables using correlation and regression analysis.

4.1 Assessment of Collective Bargaining Practices

Table 4.2 presents employee perceptions regarding the effectiveness of industrial dispute prevention mechanisms.

Table 4.1

Dimension	Mean	Standard Deviation
Communication and Consultation	3.94	0.71
Employee Participation	3.88	0.74
Wage and Benefit Negotiation	3.82	0.76
Grievance Handling Mechanism	3.91	0.72
Labour-Management Trust	3.79	0.78

The results indicate a favourable perception of collective bargaining practices among employees. Communication and consultation recorded the highest mean score (3.94), followed by grievance handling mechanisms (3.91) and employee participation (3.88). These findings suggest that collective bargaining provides an effective platform for dialogue and problem resolution within organizations. The relatively lower mean score for labour-management trust (3.79) indicates scope for strengthening mutual confidence between management and employees. Overall, the results demonstrate that collective bargaining practices are reasonably effective across the selected industrial sectors.

4.2 Assessment of Industrial Dispute Prevention

Table 4.2 presents employee perceptions regarding the effectiveness of industrial dispute prevention mechanisms.

Table 4.2

Dimension	Mean	Standard Deviation
Reduction in Workplace Conflicts	3.87	0.73
Timely Resolution of Grievances	3.92	0.7
Industrial Harmony	3.95	0.68
Labour-Management Cooperation	3.89	0.72
Reduction in Strike and Lockout Tendencies	3.76	0.77

The findings reveal that industrial dispute prevention mechanisms are functioning effectively in the selected organizations. Industrial harmony recorded the highest mean score (3.95), indicating a generally stable industrial environment. Timely resolution of grievances (3.92) and labour-management cooperation (3.89) also received favourable ratings, suggesting that workplace issues are often addressed through negotiation and consultation before escalating into disputes. The comparatively lower score for reduction in strike and lockout tendencies (3.76) indicates that although industrial conflicts have been minimized, continuous efforts are required to sustain long-term industrial peace.

4.3 Relationship between Collective Bargaining and Industrial Dispute Prevention

To examine the relationship between collective bargaining and industrial dispute prevention, Pearson's correlation analysis was performed.



Table 4.3 Correlation Analysis

Variables	Correlation Coefficient (r)	p-value
Collective Bargaining and Industrial Dispute Prevention	0.712	0

The results indicate a strong positive correlation ($r = 0.712$) between collective bargaining and industrial dispute prevention. The positive coefficient suggests that improvements in collective bargaining practices are associated with better industrial harmony and fewer workplace conflicts. Since the p-value is less than 0.05, the relationship is statistically significant. The findings imply that organizations with effective collective bargaining mechanisms are more likely to maintain harmonious labour-management relations and prevent industrial disputes.

4.4 Impact of Collective Bargaining on Industrial Dispute Prevention

To determine the influence of collective bargaining on industrial dispute prevention, a simple linear regression analysis was conducted.

Table 4.4 Regression Analysis

Model	R ²	F-value	Significance
Collective Bargaining → Industrial Dispute Prevention	0.507	279.84	0

Predictor	Beta Coefficient	t-value	p-value
Collective Bargaining	0.712	16.73	0

The regression results reveal that collective bargaining has a significant positive influence on industrial dispute prevention. The coefficient of determination ($R^2 = 0.507$) indicates that collective bargaining explains 50.7 percent of the variation in industrial dispute prevention. The positive beta coefficient ($\beta = 0.712$) demonstrates that stronger collective bargaining practices lead to greater industrial harmony and conflict reduction. The model is statistically significant, as indicated by the F-value (279.84) and p-value (0.000).

4.5 Hypothesis Testing

H₀: There is no significant relationship between collective bargaining and industrial dispute prevention in selected industrial sectors of Western Odisha.

H₁: There is a significant relationship between collective bargaining and industrial dispute prevention in selected industrial sectors of Western Odisha.

The regression analysis produced a p-value of 0.000, which is lower than the significance level of 0.05. Therefore, the null hypothesis (H_0) is rejected and the alternative hypothesis (H_1) is accepted. The findings confirm that collective bargaining has a significant positive relationship with industrial dispute prevention in selected industrial sectors of Western Odisha.

4.6 Discussion of Findings

The empirical findings demonstrate that collective bargaining plays a significant role in preventing industrial disputes within the selected industrial sectors of Western Odisha. Employees reported favourable perceptions regarding



communication, consultation, grievance handling, and participation in workplace decision-making. The strong positive correlation and significant regression results indicate that effective bargaining mechanisms contribute substantially to industrial harmony and conflict reduction.

These findings support the observations of Visser (2019), who emphasized that collective bargaining promotes labour-market stability through structured dialogue and negotiated settlements. The results are also consistent with Hayter (2015), who argued that collective bargaining strengthens cooperation and reduces workplace conflicts by encouraging social dialogue. Similarly, the findings corroborate the conclusions of Bamber et al. (2021), who reported that organizations with effective bargaining systems generally experience better labour-management relations and lower levels of industrial unrest.

5. Results and Discussion

The study examined the role of collective bargaining in preventing industrial disputes in selected industrial sectors of Western Odisha. The descriptive analysis revealed that employees generally held favourable perceptions regarding collective bargaining practices, particularly in the areas of communication and consultation, grievance handling, and employee participation. These findings suggest that collective bargaining provides an effective platform for addressing workplace concerns and fostering constructive labour-management interactions.

The analysis further indicated that industrial dispute prevention mechanisms were perceived to be effective within the selected organizations. High mean scores for industrial harmony, timely grievance resolution, and labour-management cooperation demonstrate that workplace issues are largely managed through dialogue and negotiation rather than confrontation. This reflects the growing importance of participative industrial relations practices in maintaining organizational stability.

The correlation analysis revealed a strong positive relationship ($r = 0.712$, $p < 0.05$) between collective bargaining and industrial dispute prevention. This finding indicates that improvements in collective bargaining practices are associated with a reduction in workplace conflicts and greater industrial harmony. The result supports the view that collective bargaining serves not only as a negotiation mechanism but also as an important preventive tool for managing industrial relations.

The regression analysis further confirmed the significant influence of collective bargaining on industrial dispute prevention. The model explained 50.7 percent of the variance in industrial dispute prevention ($R^2 = 0.507$), indicating that collective bargaining is a major determinant of industrial peace within the selected industrial sectors. The positive beta coefficient ($\beta = 0.712$) suggests that stronger bargaining practices contribute significantly to reducing industrial unrest and strengthening labour-management cooperation.

The findings are consistent with the observations of Visser (2019), who emphasized that collective bargaining promotes labour-market stability through structured negotiation and consensus-building. The results also support Hayter's (2015) argument that collective bargaining strengthens social dialogue and reduces workplace conflict by encouraging cooperation between employers and employees. Similarly, the findings align with Bamber et al. (2021), who reported that effective bargaining systems contribute to stronger labour-management relations and lower levels of industrial unrest.

Overall, the study demonstrates that collective bargaining plays a vital role in preventing industrial disputes and promoting harmonious industrial relations. The evidence suggests that organizations that encourage dialogue, employee participation, and collaborative problem-solving are better equipped to maintain industrial peace and organizational effectiveness.

6. Conclusion

The study concludes that collective bargaining plays a significant role in preventing industrial disputes in selected industrial sectors of Western Odisha. The findings reveal that effective collective bargaining practices promote communication, employee participation, grievance resolution, and labour-management cooperation, thereby



contributing to industrial harmony and reducing workplace conflicts. The statistical analysis confirmed a significant positive relationship between collective bargaining and industrial dispute prevention, indicating that organizations with stronger bargaining mechanisms are better able to maintain stable industrial relations. The study highlights the importance of strengthening collective bargaining processes through continuous dialogue, mutual trust, and collaborative problem-solving to ensure sustainable industrial peace and organizational effectiveness.

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