

## Ensuring Fairness At Workplace

Address delivered at HR Meet of Mahindra & Mahindra on Dec 18, 2013

[This is the Second part of my speech "Making our Workplace Competitive, Fair and Inclusive." It focuses on ensuring fairness at the workplace. The third part will follow soon. The first part of my speech focused on making the workplace 'competitive.']

The theme for my talk is "how to make our workplace competitive, fair and inclusive." I beg to submit that **the answer is "Promote dialogue and sensitivity within the organisation - the latter through 'appreciation of reality.'"** In this second part let us discuss how we can ensure fairness at workplace.

### Ensuring Fairness

Fairness is one word that goes hand in hand with justice. And this is a danger zone! Noble laureate Amartya Sen has written about this subject. I must confess at the beginning that my understanding in this area is still 'developing,' yet I will venture to make some observations to kick up a good debate.

### Let us not confuse between 'fairness' and 'justice.'

**Fairness and justice are different concepts. Justice is concerned with morality** - what you must do to conform to the ideal of morality. But it is not necessary that you do what is commendable to do. For example, we ensure that contract labourers are paid minimum wage. That is justice. But it is not necessary that we have to ensure that they get better than that over the years. Paying them extra, more than minimum wage, is good to do but not 'essential' to do to conform to the concept of justice.

**Fairness on the other hand brings in the 'factor of control.'** If you give more than minimum wages to contract labourers [it may even be value based] then you are taking a decision to that effect, and the control lies with you. When we reimburse medical expenses of an old or ex-employee over and above his entitlement, we are being fair, and we have taken a position based on what is in our control.

But there is another factor which complicates the matter. Let us talk about it.

### Rule of Law and Rule of Life

As Fritjof Capra says "organisations are social institutions created for specific purpose such as making money, they are also communities of people who interact with each other and build relationships." It makes them democratic institutions.

People have duties to one's family, one's community. This is called the 'rule of life.' In contrast the administrators have duties which reflect higher and universal ideals. This is called the 'rule of law.' It is said that democracy emerges from the contradiction between the two.

The most glaring and glittering example of this contradiction between rule of life and rule of law, in my eyes, confronted Nelson Mandela. With apartheid policy, and with state run terrorism of

Vivek S Patwardhan

South African Government, several black people had simply vanished. The families of the victims wanted revenge when apartheid was given up, the white community or those who perpetrated violence under the State orders wanted amnesty. Nelson Mandela came up with Truth and Reconciliation commission which granted amnesty under certain conditions. This is a beautifully balanced concern of rule of law [which is rational and impartial] and rule of life [which has its roots in emotionality].

When we talk about reservation or quota for a community we are again battling with the same issue. Rule of Life versus rule of law.

In the organizational context this issue manifests in many ways. In an extreme case, that of terrorist attack on Taj Hotel, the Tata group went much beyond its legal liability and handled it so magnanimously that we called it 'more than fair.'

I know of a jewellery manufacturer who employs over a thousand workers, mostly ladies. Working in SEEPZ he could have easily laid off any number of employees without a problem in 2008 when going was very bad. But recognising the hardship his employees, mostly ladies, will be put to; he decided not to lay off anybody taking a direct hit on his profits.

In 1996 Asian Paints lost its entire paints manufacturing facility to fire. The Government granted permission to retrench 160 workers. That was legal requirement. Complying with the law, that is to say paying only retrenchment compensation, would have been 'just' but not 'fair' because it would have been too meagre an amount for workmen to retire with. But both the parties met to decide a good compensation to workers who could be no longer employed. The hit was about over five times the retrenchment compensation. This again is a case of rule of life and rule of law. And the role trust can play in the relationship.

So the theme that emerges is that if we want to be seen as practising fairness, we have to balance between rule of law and rule of life, or in other words, between rationality and emotionality. That is the way we can be seen as fair and win trust. And trust is won by four actions [a] straight talk, [b] empathetic listening, [c] making a commitment and [d] being reliable.

In the day to day corporate life there are numerous dilemmas posed to the HR manager, mainly in the arena of performance and commensurate rewards. But the solution, to my mind, lies in the same strategy - win the trust.

The game of fairness often raises a fundamental question about employers' liability. In the eyes of employees it is always blurred. A typical Indian employee expects his employer to help and support him in several ways. Managing expectations is an inevitable part of the problem of being fair. And it can be done only through some straight talk, empathetic listening, and making and keeping commitments.

Interestingly, we are finding that a part remedy for making workplace competitive as well as fair is the same - it is to have a meaningful dialogue. In the case of making workplace fair, it takes the additional factor of making and keeping commitment.

### [The Crusader and the CEO](#)

But none of this works if HR functionaries do not act as crusaders and if the CEO is not an evolved leader. Nowhere does the leadership get exposed as in the considerations of fairness.

Vivek S Patwardhan

I was told by a senior manager in Nashik that they recruit ITI and Dip Engineers as trainees or apprentices. They work there for one year when their contract of traineeship automatically comes to an end. 'Where do they go?' I asked. 'Oh, they go to Bosch, then to Kirloskars and then to Tata Motors' was the response. I checked whether those organisations also take them as trainees to which the reply was in the affirmative. In another organisation, open full shift is run exclusively by trainees and the other shift by permanent workers. It is an auto industry and the jobs of 'tackling engine' which weighs about 50 Kg as well as 'chassis punching,' both involving hard and heavy work was given to trainees. The permanent worker had five trainees who would do this work in their shift.

The number of trainees in each unit of auto industry can be counted in hundreds and the obvious exploitation happens systematically. When it comes to contract labour the situation is equally shocking. It is quite common to find the same job being done by the permanent workers as well as by contract labour. The Gujarat Government is knowingly turning a blind eye to the issue of contract labour. In the textile industry in Gujarat workers still get 'single' overtime! In Surat the wages of workers are fixed with clear understanding that he will work twelve hours a day.

Do you think this picture can change with insensitive unions and HR functionaries? Who can stop such practices? Unions and HR personnel in such industries have one aspect in common - they have become numb to the reality of exploitation and objectionable practices. What 'fairness' are we talking about without having 'crusaders'?

It will take a sensitive person who is in touch with realities of situation to rise and bring about change. The issue is also how HR functionaries purposefully attempt to understand reality - do they attempt to find out how their own lowest cadre of employees live and how their contract workers live. For sensitising oneself, there is no substitute to observing directly.

The reason why I am writing about this is not to blame my brother HR functionaries, but to draw attention to the fact that trouble brews in such circumstances [as we saw in the case of Maruti] and the cost of such a strife is immeasurable. Lack of sensitivity can only compound the problem.

Having said that, I come to the statement [**"Promote dialogue and sensitivity within the organisation - the latter through 'appreciation of reality.'"**] which I made at the beginning of this talk in the hope that you will appreciate this justification.

**Vivek S Patwardhan**

*Vivek S Patwardhan works as Executive Coach and OD Consultant. He is an avid blogger [www.vivekvsp.com]. He can be reached on vivekpat@outlook.com*

Ensuring 'Fairness' at Workplace

<http://hrblog.vivekvsp.com/2013/12/ensuring-fairness-at-workplace.html>

Vivek S Patwardhan