

TALES FROM & INSIGHTS

WAGE PAYMENT DURING THE LOCK DOWN A LEGAL ISSUE OR ?



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(Are we looking the issue at hand myopically or believe, this is a once in a life time opportunity for HR managers to demonstrate that the often repeated slogan "people are the most valuable asset" is not just a slogan)

The whole country is going through an unprecedented situation. All of us are confined to our houses, till, God knows when. One of the activities that is keeping some of us busy is to follow the debates that are taking place on various issues in the social media. The range of discussions are truly enormous.

One of the topics that has aroused my interest is the topic of wage payment during the lock down period. My friends and colleagues have been sharing their views along with some opinions given by legal experts.

This note is an attempt to put down my views on the subject.

Is this just a legal problem?

To begin with I do not consider the issue to be a legal problem. I also believe that to try to apply the existing statutes to the lock down is to stretch the legal provisions

and force fit them to a situation that no statute has envisaged.

There are two Contracts that govern the employee's life while in employment.

One is the Legal contract which is an aggregate of the offer of appointment, applicable policies and Statutory requirements. If this contract was the sole framework in which we wish to operate there is no need for HR managers at all. Managing human resources would have been the exclusive domain of practicing advocates.

Focus of HRM has been and is the creation and nurturing a psychological contract between the organization and the individual employee. This effort, it is believed, requires a different set of competencies, hence the profession of HRM.

By treating the question of payments to employees during this lock down period as purely a legal issue, we in the HRM profession are allowing the relationship between the organization and the employee to be reduced to the bare legal contract. We are ourselves negating the need and relevance of HRM.

Through all stages of an employee's association with the organization HRM tries to establish a relationship which transcends the legal relationship. The foundation of any contract is "autonomy " and 'Reciprocity". Autonomy de-

notes decisions that either party takes out of free will and without any external or superior force compelling the decision. Reciprocity is mutual exchange of "consideration" either monetary or otherwise.

During good times we talk of Organisational Mission, Vision, Values etc. We strive- at least so believe- to develop an "engaged " work force. We are constantly expecting the employee to go beyond the legal contract. Deeds speak louder than words. This is an unprecedented opportunity to demonstrate that the Organisation is practicing what we were preaching all the while. If we fail to rise up to this occasion we will be seen as someone who quickly reverts to the minimum requirement of Law during tough times. We often see this being done by our politicians. During normal times they want and get all privileges of office. The moment there is whiff any criticism or allegation being made, they will quickly start defending their conduct referring to legal provisions. Sam Ervin the Chairman of the Senate Water gate Committee commented" *Do you not think that men who have been honoured by the American People as you have, ought to have their course of action guided by the ethical principles which are superior to the minimum requirements of criminal law*"

I believe, we should ask ourselves a similar question " should we not have our actions guided by principles superior to the minimum requirements of Labour Law".

Workmen Vs Employees:

Most of the notifications issued by Govts., both Central and State, refer to Workmen. Is the issue of wage payment limited only to Workmen? Are managers (non-workmen) excluded from wage payment? Or is it assumed that they will be paid differently?

The perspective should cover all employees. Immediately the question that would be raised is "What about contract workmen?" This is the result of the conditioning, that we see the Human Resources in silos. Most organizations are utilising the services of Contract workmen on a regular basis. We have situation where contract workmen are working continuously for years together. We treat them as low-cost resources. We are all aware that most factories cannot function without contract workmen even for a day, yet we treat them differently. I am suggesting that we look at ALL HUMAN RESOURCES without any categorisation.

In a situation like this the hierarchy has to be inverted. The weakest person in the system(ex. unskilled contract workmen) should perceive the organization as being "Fair". I am not suggesting full payment to all, even if the organization can afford. Such a decision would send a wrong message that it is 'business as usual'. **The limited point I wish to make is that this a once in a life time opportunity for HR managers to demonstrate that the oft repeated slogan " people are the most valuable asset" is not just a slogan.**

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