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IV Semester M.B.A. (Day & Evening) Degree Examination,
November/December - 2025
MANAGEMENT
Industrial Relations and HR Audit
(CBCS Scheme 2019 Onwards)

Time : 3 Hours **Maximum Marks : 70**

SECTION - A

Answer any Five questions from the following. Each question carries 5 marks.
(5×5=25)

1. Explain the evolution of Industrial Relations policies in India and discuss how post- liberalization reforms influenced them .
2. Differentiate between Industrial Relations and Human Relations. How do their approaches impact employee morale?
3. Discuss the major causes of industrial unrest in India and suggest preventive measures.
4. Enumerate the key objectives and functions of the International Labour Organization (ILO).
5. What are the major obstacles in adopting ILO conventions in India?
6. Define HR Audit. Explain the significance of HR audit in ensuring organizational effectiveness.
7. Explain the methodology of HR Audit through interviews and observation with suitable examples.

SECTION - B

Answer any Three questions from the following. Each question carries 10 marks.
(3×10=30)

8. Critically examine the role of participative management and employee empowerment in improving industrial relations.
9. Analyze the evolution and constitutional framework of Trade Unions in India. How far have they succeeded as collective bargaining agents?
10. "Labour welfare and social security form the backbone of industrial peace." Discuss this statement with reference to welfare legislation in India.
11. Explain in detail the comprehensive HR audit process. How does it differ from functional-level audit? Support your answer with a practical checklist example.

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SECTION - C

12. (Compulsory) Case Study: (1×15=15)

Titan Manufacturing Ltd., a reputed automotive components company located in Hosur, Tamil Nadu, employs around 2,000 workers across production, maintenance, and logistics divisions. For nearly two decades, Titan was known for its harmonious industrial relations and low employee turnover. The company prided itself on its productivity-linked bonus system, transparent HR practices, and regular welfare programs.

However, in the past three years, the industrial atmosphere at Titan has deteriorated drastically. The introduction of a new plant automation system reduced manual work and resulted in redeployment of several workers. The management's communication about role changes was poor, and middle managers failed to conduct counseling sessions or skill-gap assessments. As a result, the trade union alleged that management was trying to replace senior workers with contract labour under the guise of"technological change ."

Simultaneously, workers began complaining about safety lapses-such as inadequate protective gear near robotic arms, extended shifts without rest breaks, and delayed medical reimbursements. The safety committee meetings were often postponed, and internal audits were limited to paperwork compliance. Absenteeism rose from 4% to 14% within a year, and there were two incidents of tool damage during night shifts.

The management responded by suspending a few employees for "indiscipline," which further fuelled the conflict. The trade union called for a one-day strike, after which the company was forced to constitute a Joint Industrial Relations Committee to address the grievances. However, meetings turned into blame sessions, and no actionable outcomes were achieved

At this stage, the Board decided to appoint an independent HR auditor to conduct a Comprehensive HR and IR Audit across all departments. The audit team was asked to review:

* Compliance with labour laws and welfare legislations
* Effectiveness of employee communication and grievance redressal systems
* The role and functioning of the trade union
* Status of health, safety, and welfare programs
* HR practices related to recruitment, training, and performance management

The audit revealed multiple deficiencies-outdated HR policies, absence of safety training records, poor communication channels, and a lack of participative management. The final report recommended a transformation roadmap including skill upgradation, joint consultative forums, a revised performance-linked reward plan, and the establishment of a balanced HR Scorecard to measure engagement and safety metrics quarterly.

Questions:

a) Identify and discuss the key Industrial Relations issues evident in this case.

b) What role should the trade union play to restore cooperation and trust?

c) Outline how a Comprehensive HR Audit could have prevented escalation of the conflict.

d) Suggest specific welfare and safety measures Titan should implement immediately.

e) Design a framework for an HR Scorecard that can monitor Titan's post-audit performance in Industrial Relations.
