

Study of Employee Grievances and Grievance Handling in Small Scale Construction Companies with Informal Grievance Handling Procedures in Central Province, Sri Lanka

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Abstract : *Grievances are common to any level of work force in any company/industry while they are working together to achieve a common goal. Even though the poorly handled grievances are leading to employee inefficiency, employee dissatisfaction, and finally to high turnover ratio of the company, still some companies are not practicing formal grievance handling procedures within their organizations. This study focuses on the grievance handling of small scale construction companies with no formally established grievance handling procedures in central province of Sri Lanka. The study identifies the grievances among different job categories of the selected companies and through the findings tries to identify whether these companies are efficiently handling the grievances with current informal procedures or not. Finally the study determines whether there is a need of a formal grievance handling procedure or not.*

1. Introduction

Construction Industry in Sri Lanka has shown an upward trend after the year 2009 immediately after the civil war situation as the constructions in North and East provinces are boomed up. According to the industry report on Sri Lanka by ICRA Management Consultancy service Limited, the Sri Lankan construction industry contributes to about 70% of the Gross Domestic Fixed Capital Formation and about 8 % to the country's Gross Domestic Product (GDP). According to the same report Sri Lankan Construction Industry contributes 7% to total employment generation of Sri Lanka and direct employment in construction industry was 562,000 persons in 2009. But they have already shown on SWOT analysis of the report that there are lack of skilled works within Sri Lanka to contribute to the Construction Industry. A study on Shortage of Skilled works in Construction Industry of Sri Lanka show that grievances like low wage

and poor working conditions are two of major reasons for the shortage of skilled workers in Sri Lankan construction Industry.

This study has conducted in order to identify employee grievances and grievance handling procedures used in small scale Construction Companies which do not have formal grievance handling procedures in Central Province, Sri Lanka. According to the Sri Lanka Construction Industry development Authority Small scale Companies are defined as the companies who do projects with financial limit less than ten million. The companies with Informal grievance handling procedures considered for the study are the companies which do not have a well-defined and well-documented grievance handling procedures. The geographic location considered in this study is central province of Sri Lanka. This is a quantitative study which uses questionnaire method to collect the data. For the study we considered randomly selected 160 workers from 5 different construction sites in Central province including building, road and irrigation constructions. The study mainly focused on identifying the nature of grievances, reasons for the grievances and the possible redressing methods for the identified grievances of Construction workers.

2. Literature Review

According to Jucius as cited by Rao (2005) a grievance is “ any discontent or dissatisfaction whether expressed or not whether valid or not arising out of anything connected with the company which an employee thinks believes or even feels to be unfair, unjust or inequitable”.

A grievance in the traditional sense of the word is typically defined as a complaint against an employer by an employee for a contractual violation. Simply put, this means that an employee has a problem with his/her employer and feels the problem is legitimate based on the contract he/she has with the employer. However, not all grievances have to be contractual grievances.

Grievances typically cover the following areas: Pay and working conditions, Terms of employment and workplace rules, Disagreements with co-workers, and Allegations of unfair treatment at work.

As group of people are working together to achieve a common goal within an organization, inconveniences which may lead to complaints can be occurred often. According to the Chapter Two of Conceptual frame work of Grievances, the complaints are not resolved promptly are leading to dissatisfaction. Therefore grievances needs to be handle in first place in order to prevent dissatisfaction of employees.

In the literature review of this study has identified different grievance handling methods can be used, such as: Formal grievance Handling Procedures, Open day policy, Quasi Method, Counselling and Mix method.

A study on Shortage of Skilled works in Construction Industry of Sri Lanka by Basnayaka, Premathilaka and Dissanayaka show that grievances like low wage and poor working conditions are two of major reasons for the shortage of skilled workers in Sri Lankan construction Industry.

An article on “Sri Lanka has a shortage of skilled and unskilled workers, BT-RCB poll reveals” by The Sunday times, Business Times magazine on May 04, 2014, which based on a study collaboratively done with Research consultancy bureau shows that, Sri Lankan unskilled workers are prefer to go abroad and Sri Lanka exports unskilled works too. They further highlights shortage if labor increases due to the grievances like low wages, low reputation and poor accommodation facilities. In the article it strongly say that Sri Lankan skilled and unskilled labors seek jobs in Middle East due to poor wages in Sri Lanka.

3. Methodology

This study used quantitative research methodology. Data was collected using questionnaires designed in using workers common languages, Sinhala and Tamil. A rating scale or closed questions on a questionnaire would generate quantitative data as

these produce either numerical data or data that can be put into categories (e.g. “yes”, “no” answers).

Table 01: Demographic data of the sample

Considered population for the study is Employees of small scale construction companies with no formal grievance handling procedures in central province, Sri Lanka. Sample of the study was

	Question	Status	Response
01	Gender	Male	132
		Female	28
02	Age	20 – 30 Years	68
		31 – 40 Years	52
		41 – 50 Years	32
		51 – 60 Years	8
		Above 60 Years	0
03	Participant category	Office workers	16
		Technical officers/ Site supervisors	24
		Skilled laborers	36
		Non-skilled laborers	84

selected using random Sampling method. Therefore the selected sample was randomly selected Employees of small scale construction companies with informal grievance handling procedures in central province Sri Lanka. This sample was gathered from randomly selected five different construction sites in central province. These randomly selected sites were covered building, road and irrigation constructions. Total number of participants for the study was 160 which can be categorized under four main categories, such as: Office workers, Technical officers and Site Supervisors, Skilled labor, unskilled labor.

The selected participants were instructed orally and explain the objective of this research. After obtaining the informed verbal consent of the participants the questionnaire was administered. Then the collected data were analyzed using the tools available at MS Excel 2013 provided by Microsoft.

4. Analysis

Based on the survey among four types of employees who works in the selected small sale construction companies with no formal grievance handling procedure, 10% of considered employees are belonged to office worker category. Fifteen percent (15%) of them were technical officers or site supervisors while 22% are skilled laborers. Majority represented by unskilled laborers and it is about 53% of the total.

Job category of these employees were considered in this study and the grievances were identified with respect to their job category.

- **Nature of grievances exist among office workers**

Office workers represent 10% of total number of workers of the study including draught men, quantity surveyors and data operators. 50% of them are female and other 50% represented by male. 75% they are within 20-30 age range and 25% of them are belong to 30-40 age range. 75% of them are working for their companies less than 5 years and 25% of them are working above 5 year for their companies. According to the analysis the grievance that faced by the 50% of office workers is Lack of Promotion opportunities. 25% of rest are facing working conditions as a grievance and remaining 25% faces salary and wage problem as a grievance. All male workers of office worker category are faced promotion problems and 50% of female of this category are facing working condition problems and rest 50% of female office workers are facing salary problem. 75 % of these office workers are not aware of any grievance handling procedures of their companies.

- **Nature of the grievances existing among Technical officers and Site supervisors**

15% of total workers are represented by this category. 17% of them are female and other 83% represented by male. 67% of them are within 20-30 age range and 33% of them are belong to 30-40 age range. 83% of them have less than 5 years of experiences and 17% of them have above 5 year experiences in the job.

According to the analysis the grievance that faced by the 50% of Technical officers (TO)/Supervisor workers is salary and wage problem. 16.6% of rest are facing working conditions as a grievance and another 16.6% faces promotion as a grievance. Remaining 16.6% faces other issues as grievances.

60% of male workers of TO/supervisor category are facing salary problems and 20% among the rest of male workers of this category are facing promotion problems while another 20% of male are facing other issues. All female office workers of this category are facing working condition problems.

83% of workers of this category are aware of the grievance handling procedure as their companies have explained it to them.

- **Nature of the grievances existing among Skilled Laborers**

This category of workers represents 22% from total sample. They include masons, carpenters and electricians. All of the workers of this category are male. 44.4% of them are within 40-50 age range , 33% of them are belong to 30-40 age range, 11.1% are in 20-30 age range and remaining 11.1% belongs to 50-60 age range. 67% of them are working for the current company less than 5 years and 33% of them are working above 5 year for the company.

According to the study results, 56% of this category employees are faced by salary problems. There is no special age category for this salary problem. All age category represents the salary problem. 22% of workers have working condition problem as a grievance and remaining 22% have other issues as grievances.

33% of skilled laborers are aware of grievance handling procedure and all of them are the employees who has worked more than 5 years for their current company. Rest 67% of skilled laborers are not aware of any grievance handling procedure.

- **Nature of the Grievances existing among Unskilled Laborers**

This category represents 53% of total no of workers. This category includes laborer who do not have specialized on specific skill, like helpers of masons. 19% of them are female and other 81% represented by male. 43% they are within 20-30 age range and 28% of them are belong to 30-40 age range. All of them are working for the company less than 5 years

67% of unskilled laborers are facing salary problems and 50% of them are the people in 20-30 age range. 19% of unskilled laborers are facing problems in working conditions and 50% of them also the young crowd between 20th and 30th of age. 9% of unskilled laborers are facing discipline problems and all of these workers are female. Rest 5% of them are facing other issues as grievances.

90% of these workers are not aware of the grievance handling procedure. Only 10% of them are aware of the grievances complaining system.

- **An overview on grievances faced by the sample**

According to this study the major problem that faced by the employees is salary and wage problem. 83% among these 57% of employees who faces the salary problem are the skilled and unskilled laborers. The next major problem is working conditions. Among them 50% are unskilled laborers and 25% are skilled laborers. All non-labor employees who face working condition problems are female employees.

According to the study, 8% of workers are facing promotion related problems and all most all employees who faces this situation are non-labor employees. 2/3 of the employees who face the promotion problems are office workers. 5% of employees are facing discipline problems and all these workers are unskilled female laborers.

- **Employee awareness regarding the Grievance handling practices**

While 28% of employees are aware of the grievance handling of their companies, majority (72%) unaware of the procedure. 81% of the awared employees are the field workers and among them also the 55% are site supervisors. Rest of 45% of awared employees are the people who have been working in the same company mora than 5 years.

Table 02: An overview on grievances faced by the sample

Grievance Type	Amount	Special Relationships
Salary and wages	57%	83% of them are Laborers
Work conditions	20%	50% are Unskilled labor 25% are Skilled labor All non-labor workers in here are female
Promotions	8%	All are non labor 2/3 of them are office staff
Discipline	5%	All unskilled female labor
Other	10%	-

- **Practices of Grievance complaining within the organization**

According to the Figure 1, 50% of office employees are complaining their grievances to their immediate supervisor while rest 50% are not complaining. Majority of Supervisory workers (67%) prefer not to complain their grievance while 33% of remain complaining. Majority of laborers complain about their grievances while 34% of are not complaining.

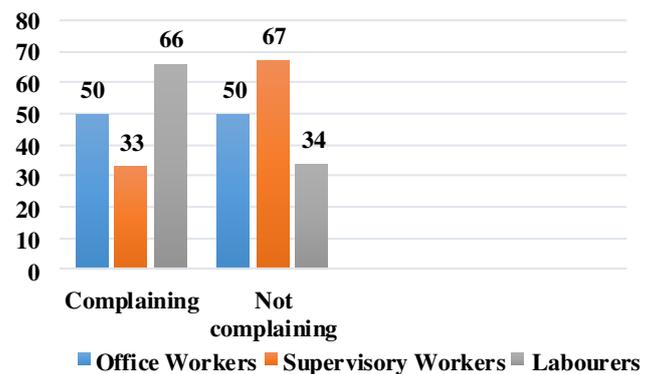


Figure 1: Grievance Complaining Practice within the Organization

- **View of the Employees on the Grievance handling practice**

45% of employees are satisfied with the current grievance handling practice and 50% of employees are neutral about the current situation. 5% of employees are dissatisfied with the current practice. Among dissatisfied employees 50% represent office workers while rest of them are representing laborers.



Figure 2: Satisfaction levels on Grievance Handling with respect to Job Category

According to the Figure 2, 17% of supervisory workers are satisfied with the grievance handling practice within the organization, while majority (85%) is neutral about the system. 75% of office staff is neutral about the current grievance handling practice within the organization while rest (25%) are dissatisfied with the system. Majority of laborers (56%) are satisfied the current grievance handling procedure while 40% of rest are neutral about the topic. Remaining 3% is dissatisfied with the current system.

5. Conclusion

This study on grievance handling in the small scale construction companies with informal grievance handling procedures was carried out to assess about the present way of handling the grievance and find whether there is a need to introduce a proper grievance handling procedures to the industry.

The major issues related to grievance in these randomly selected companies are related to salary and wage problems while the second most highly occurring problems in this small scale industry are associated with the working condition. The problems related to salary and wage problems are associated with the both skilled and non-skilled laborers. The problems associated with working conditions are existed among laborers. Therefore a great attention is required for the laborer faction of the industry. Promotion related problems and discipline problems represent lower percentages (9.8% and 5% respectively) compared to other grievances.

Majority of the employees are unaware of the grievance handling procedure. Therefore it is essential to educate employees about the procedures in organizational level and industry level.

In overall the existing ways of non-formal grievance handling, the companies work are unsatisfactory. However there are certain grievances which cannot be addressed through the present informal procedures. There is a need of a formal grievance handling procedure in the industry level and organizational level.

When designing a formal grievance handling procedure, the management has to confirm the fact whether the procedure is understandable, accessible and culturally appropriate for the employees, especially because most of the employees working in the construction industry represent unskilled and uneducated labor. The entire process, from receiving the complaint to making the decisions has to be transparent in the best possible manner.

In case of these companies, it was found that, the inadequate wages, lack of recognition and

advancement opportunities are some of common grievances among employees. Therefore, the management of the companies has to take necessary steps to develop and implement compensation and performance management systems in a timely manner as a manner of addressing the grievances of the employees related to those contexts.

Some employees have grievances related to the working conditions in the companies. Therefore, companies should provide its employees with proper health and safety facilities and clean canteens, wash rooms, rest rooms, drinking water and a worker friendly environment in order to resolve the grievances.

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