

The Industrial Relations Forum of the FCCISL Goes National..

The largest Private-Public sector partnership in Industrial Relations in Sri Lanka aims to foster best practices in Industrial Relations among SMEs...



Mr. D.W. Subasinghe, Secretary General, Ceylon Federation of Trade Unions, Mr. Nawaz Rajabdeen, President FCCISL, Chairman, SMED, Ms. Uta Borges, Programme Coordinator, GTZ, Mr. Samantha Abeywickrama, Secretary General, FCCISL, Dr. Saman Kelegama, Executive Director, IPS, Mr. Nihal Rangala, Director, HRD & IR, FCCISL.

The Industrial Relations Forum (IRF) of the Federation of Chambers of Commerce and Industry (FCCI) goes national with the biggest private-public sector partnership to take the best practices in Industrial Relations to the SME sector.

“Industrial Relations is the key to unleash the untapped potential of human resources in an organization via harmonious employer-employee relationship. It is a strategic tool for employee motivation and productivity enhancements, that the SME sector, specially needs to adopt in a bid to increase their competitiveness both locally and globally” FCCISL HRD and Industrial Relations Director Nihal Rangala said.

The IRF comprises of members from the Ministry of Labour Relations and Manpower, The Ceylon Federation of Trade Unions, the Women’s Chamber of Industry and

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Commerce and blue-chip companies that have incorporated best practices in Industrial Relations into their Human Resource Management policies.

According to the Central Bank’s projections for 2006 the total size of the Sri Lankan labour force has dipped to 7.6 million from 8.1 million in 2005, keeping with the demographic trends of an ageing population. The unemployment percentage has reduced to 6.7% as per the projections for 2006 from 7.7% in 2005. However, underemployment, specially among youth is rampant, which is a non-qualifiable gross under-utilisation of the country’s human capital. However, employers face a dilemma when sourcing the right personnel with the right skills for the expanding job market.

The lack of proper industrial relations gave rise to the massive port go-slow that dragged on for over 10 days, with a cost of over Rs. 20 million per day. The long standing issue of plantation workers also precipitated recently with half a million workers going on strike, bringing the tea trade to a grinding halt. In this turbulent context, the importance of good industrial relations in both the public and private sector has emerged.

(Continued in Page 3)

The Power of Character HR for Employee Relations

by Priyal De Silva
Senior Manager Employee Development
Union Assurance Ltd.



How important are salt and spice in a curry? Roots and trunk to a tree? Engine and gearbox in a BMW car? Same as trust and credibility are in human relations. Why is it so difficult to believe what the employers say and how loyal are employees anyway? Can we really trust anyone at all?

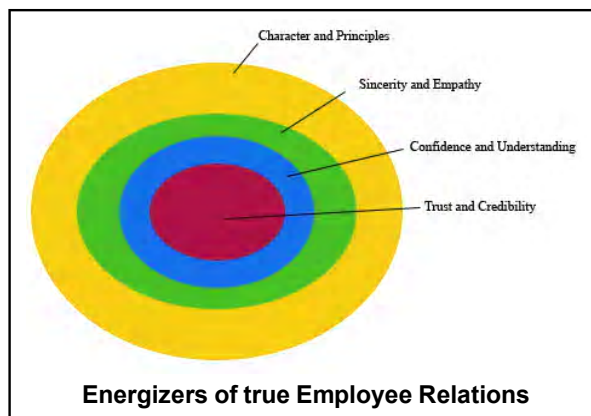
standing. This principle worked for UAL and I am sure it will work for any organization.

Character Power

Just like in any building, the foundation of any individual is one's character. The foundation gives the strength to the building, to make it solid and even build higher with more levels. It is the same with people, the human resource. The true strength of a man is his character which is the synergy of his body, mind, heart and spirit (Covey, 2006). Developing the character of people is a long term investment. It will build not only solid employee employer relations but also ensures organizational dynamics are ef-

Forging a Merge

Trust was a question mark for the employees of Union Assurance - UAL in 1994. With 4 companies merging - forging for a more dynamic organization, they had a good reason to be. Out of the 4 companies Aitkin Spence, Carson Cumberbatch, Whittal Boustead and Mercantile Credit, 3 were unionized. When their employees joined UAL they imagined many things. Suspicion and doubt were obvious. Communication was in some locker. What did we actually walk into, they wondered all the time.



fective.

Creating Credibility

That was over 12 years ago. We are still without a single union. Creating a new culture was by no means easy. Many misunderstandings had to be ironed out. Container loads of doubts and feelings of uncertainty had to be cleared. Trust and credibility had to be installed. How did we do it? I believe many factors contributed. Strong and sound leadership, regular communication and frequent social interactions contributed much. These factors created confidence in the management in the minds of employees. Better understanding gradually prevailed.

...Developing the character of people is a long term investment. It will build not only solid employee employer relations but also ensure organizational dynamics are effective...

Can good character be for real?

Character is what one does when no one is looking. Good character is the inward motivation of a person to do what is right to the highest standards of behaviour every time (Character Precepts Training Institute). Positive character qualities such as virtue, attentiveness, sincerity, benevolence, enthusiasm, patience, flexibility

justice and forgiveness can be invaluable in building sound and stable employee relations for industrial peace. This will minimize need for too much reliance on labour legislation and encourage self regulation with mutual respect and understanding. ☐

The Heartbeat

Feelings of employees are the pulse and heartbeat of an organization. The pulse and heartbeat will be normal if good health is maintained. Similarly, a sincere effort to understand the feelings of employees goes a long way as it amounts to counting the pulse and listening to the heartbeat. Empathizing and Listening to each other, respecting each other even when you disagree with each other paves way for confidence and under-

- ### How to Develop Character
- Learn the 49 positive character qualities
 - Recruit, reward and promote employees for character rather than for qualifications, experience and performance
 - Praise and recognize people for character qualities rather than for achievements only
 - Teach others about character

(Continued on the next page)

Character for Peace

If there is righteousness in the heart
there will be beauty in character;
If there is beauty in character
there will be harmony in the home;
If there is harmony in the home
there will be order in the nation;
If there is order in the nation
there will be peace in the world.

A Chinese proverb

Source : *International Association of Character
Cities;*
Achieving True Success – How to build Character
as a Family

The Oxford Definition

character

• **noun** **1** the qualities distinctive to an individual. **2** the distinctive nature of something. **3** a person in a novel, play, or film. **4** a part played by an actor. **5** a printed or written letter or symbol. **6** strength and originality in a person's nature. **7** a person's good reputation. **8** informal an eccentric or amusing person.

The IRF Forum...(Continued from Page 01)

The IRF which was setup in 2005 aims to create awareness amongst employers, trade unions and employees on their contractual duties and obligations. It will also act as a mediator to settle industrial disputes, while providing consultancy services to companies on all industrial disputes and labour related issues. It will also implement measures to institutionalize harmonious industrial relations within the members of the FCCISL and its regional chambers and associations.

A comprehensive training series on labour laws are also being conducted. The Industrial Relations Forum aims to provide consultancy on quality and productivity enhancement projects, while undertaking research studies on employment or industry labour related matters. It publishes a bimonthly newsletter and manuals on labor related issues.

The HRD and IRF Division of the FCCISL has already conducted 41 seminars, 2 High Level Conferences and 5 Certificate Courses, to build up the momentum and lay the necessary foundation for this national level endeavor, last year. In addition to this, 23 advisory services assignments were executed, while 4 Newsletters and 5 manuals on Labour Issues were published in 2006.

Over 1,500 persons have attended these seminars / workshops representing over 600 private sector and state sector organizations.

FCCISL is the apex private sector body with 50 member Chambers and Associations collectively representing over 9000 companies across all sectors and geographical

A CHARACTER

I marvel how Nature could ever find space
For so many strange contrasts in one human face:
There's thought and no thought, and there's paleness and
bloom
And bustle and sluggishness, pleasure and gloom.

There's weakness, and strength both redundant and vain;
Such strength as, if ever affliction and pain
Could pierce through a temper that's soft to disease,
Would be rational peace--a philosopher's ease.

There's indifference, alike when he fails or succeeds,
And attention full ten times as much as there needs;
Pride where there's no envy, there's so much of joy;
And mildness, and spirit both forward and coy.

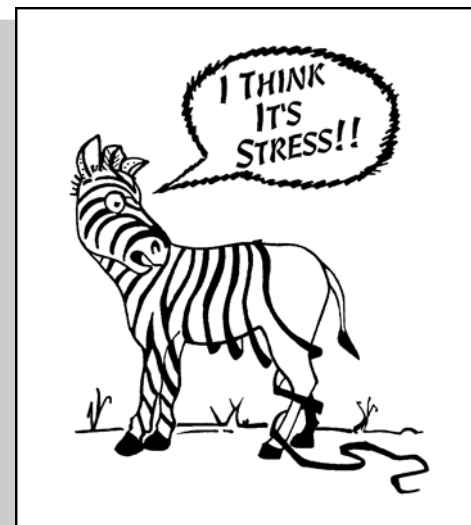
There's freedom, and sometimes a diffident stare
Of shame scarcely seeming to know that she's there,
There's virtue, the title it surely may claim,
Yet wants heaven knows what to be worthy the name.

This picture from nature may seem to depart,
Yet the Man would at once run away with your heart;
And I for five centuries right gladly would be
Such an odd such a kind happy creature as he.

William Wordsworth

regions of Sri Lanka with a labour force of over 1.5 million. More than 90% of those enterprises are SMEs.

FCCISL plays an important role in articulating macro economic policies in a pro-private sector approach and lobbies enhancing the business environment in the country. 📄



The First Meeting of the General Body of the Industrial Relations Forum of the Federation of Chambers of Commerce and Industry of Sri Lanka.

Message from Hon. Athauda Senevirathne, Minister of Labour Relations and Manpower



Hon. Minister
Athauda Senevirathne

It gives me great pleasure to send a message at the first meeting of the General Body of the Industrial Relations Forum of the Federation of Chamber of Commerce and Industry of Sri Lanka.

I wish to express my deep appreciation for the initiative taken by the FCCISL to set up the unit of Industrial Relations Forum to address the Industrial Relations and other issues of the Small and Medium Scale Enterprises.

The Small and Medium scale sector, or popularly known as the SME sector, plays a crucial role in employment creation. These enterprises are also important in unlocking the capacity of entrepreneurship and providing for dynamism in the economy. While job creation is central in our development efforts, it is just as important that the new jobs yield incomes above the poverty line and guarantee the workers certain minimum standards that enable them to access a better quality of life.

The Decent Work Policy and the action plan for Sri Lanka formulated by my Ministry in consultation with the employer and workers organizations at the national as well as regional levels, and with the technical assistance of the ILO, maps out the quality road to poverty reduction. Our vision is not just creation of Jobs, but jobs with acceptable quality that ensures dignity of labour.

With regard to the SME sector, the government, the employers and the workers organizations need to actively involve in the implementation of the Decent Work policy to reduce the existing precariousness in that sector. General measures to improve the business environment, such as macro policies to promote, aggregate demand, access to markets and inputs such as infrastructure, credit and business development services and a system of affordable legal redress can all help reduce precariousness of SMEs and thus enhance their ability to become competitive and sustainable enterprises.



Mr. D.L. Kumaradasa - Additional Secretary, Ministry of Labour Relations and Manpower delivering the message from the Hon. Minister Athauda Senevirathne. Mr. Nihal Rangala, Director HRD & Industrial Relations looks on.

Employer organizations can play a key role in improving competitiveness of SMEs, and promoting their formalization. The private-public partnership demonstrated by the Industrial Relations Forum is a tacit example of the potential of such organizations to maintain better Industrial Relations in the SMEs. They are uniquely positioned to support small and medium enterprises since they enjoy access to policy makers and work closely with enforcement authorities. The Forum could undertake capacity building of the enterprises and their workforce and promote social dialogue which, I am sure, will help to transform the currently experiencing adversarial Industrial Relations into a more cooperative Industrial Relations.

The Forum should not confine its activities only to the centre, Given the network of Chambers in the regions, we see the potential outreach of the Forum to carry out capacity building and other Industrial Relations promotional activities. I am happy that the officers of the Department of Labour are working closely with the Forum. My Ministry is ready to offer services to the Forum to carry out its activities throughout the country. We have Officers based in Districts and Sub Labour Officers as well in Divisional Secretariats. We can plan out our activities and implement throughout the country.

While again thanking the Federation of Chamber of Commerce and Industry of Sri Lanka, particularly the Industrial Relations Forum, for their concerns in promoting Industrial Relations in the SME sector, on this day I wish the activities of the first meeting of the General Body a success.

Athauda Senevirathne
Minister of Labour
Relations and Manpower

22.02.2007
Ministry of Labour Relations and Manpower
Colombo 5.

The First Meeting of the General Body of the Industrial Relations Forum of the Federation of Chambers of Commerce and Industry of Sri Lanka.

SYNOPSIS OF THE KEYNOTE ADDRESS “INDUSTRIAL RELATIONS AND ECONOMIC DEVELOPMENT” BY DR. SAMAN KELEGAMA

Dr. Saman Kelegama highlighted areas in Industrial Relations among Employers, Employees, Legislative Bodies, Trade Unions and the Government's role in working harmoniously together to maximise productivity by fair negotiation.

Commencing his speech, Dr. Kelegama commended the Federation for taking a very important step in establishing the Industrial Relations Forum to promote better Industrial Relations in this country. He also pointed out that dependence on the government by the private sector for settling various disputes has to gradually come to an end. “It is in this context that a forum like the Industrial Relations Forum could promote debate, dialog and awareness amongst members and propagate better Industrial Relations” he said. Therefore he congratulated the Federation for promoting this very important venture.

Dr. Kelegama identified the two main parties in Industrial Relations, the Employer and the Employee and explained that the interests of these two parties are quite different. The employers strive to maximize their competitiveness, promote their products and make profits, while the employees are more concerned about their job security. Dr. Kelegama focused on four main areas in promoting Industrial Relations; the role of trade unions, the role of employers, the role of the government and the role of labour legislation.

Trade unions are setup to protect the rights of the workers. However the situation is quite complex in our country, as the trend has always been that the political agenda has taken priority in trade union bargain, as politicians gave the leadership for most trade union movements.

Secondly, from the employers' perspective, they detest the trade unions. The right for the freedom of association is somehow seen by employers as a negative and destructive activity.

Thirdly, some employers trained in countries where conditions are quite different from Sri Lanka, use those same yardsticks to give targets to the workers, which most often are unrealistic in the ground level situation in this country. Blue collar employees are expected to handle problems relating to work through the HRD Division of the firm and the CEO does not get directly involved. With regard to the employer there is an urgent need to have better systems put in place to develop confidence among the employees.



Dr. Kelegama said that a report titled “Impact of Labour Legislation on Labour Demand in Sri Lanka” had been submitted in 1996 with recommendations for Gain Sharing, Industrial Safety and Working Conditions.

Dr. Kelegama highlighted on the Garment Industry to illustrate some of the prevailing labour related problems. “If we refer to the ready-made garment industry in this country, stigma is attached with the job and that is also manifest in the working environment.

Poor hostel facilities, working hours, factory conditions, poor ventilations etc., all contribute to the high number of vacancies that always exist in this industry. These are very important issues that the employers should pay attention to” he explained. “As all of you know, early February 2004 to be exact under the GSP (Generalize System Preference) scheme to Europe we obtained an additional 20% preferential margin, because our labour conditions were relatively better than in other countries. But there is a lot more to be done. “Fair globalization-opportunities are for all” report was presented by the ILO in year 2004 - 2005 where a lot of emphasis was given to “Decent Work”, and the minimum ILO conditions to be satisfied in a working environment. This is becoming a very important issue in measuring labour standards in factories and working places. It is not only the working environment that matters in the context of employers” he elaborated.

Competitiveness is very important and in that context improving productivity is a key issue. Productivity has many other components; such as training, using of better technology, improving work ethics, and having better dialog with workers. All these factors are well-known and the Government is playing a facilitative role, particularly in technology up-grading, which is important. The other important factor Dr. Kelegama stressed on is the existing labour legislation in Sri Lanka and why it is so difficult to make changes to these legislations that seem unsuitable for current times.

“Resistance to changing pristine labour legislation in this country is high, even though one main disadvantage is the lack of a social security system. But implementing reforms in the EPF and the ETF at a time when the country is running a budget deficit close to 8% to 10% is not easy; because to finance the budget deficit some of the funds come from sources like the EPF/ETF and non-bank financing. Whatever amendments to the labour legislation we have seen over the years, have not been very radical or revolutionary but ad-hoc and piecemeal.

(Continued on page 08)

The First Meeting of the General Body of the Industrial Relations Forum of the Federation of Chambers of Commerce and Industry of Sri Lanka.



“Public-Private Partnership”

Mr. Nawaz Rajabdeen
President, FCCISL and Chairman, SMED

Mr. Chairman, Ladies and Gentlemen, it gives me great pleasure and a deep sense of opportunity to say a few words at the First Meeting of the General Body of the Industrial Relations Forum of the FCCISL.

Industry over the past few years and more so the past few months have been going through turbulent times due to various reasons.

One of these is the lack of close interaction between Employer and Employee, or Management and Those who are managed. On behalf of the FCCISL I wish to extend our personal gratitude to this well represented gathering from the private sector and specially the Ministry of Labour for having come together in an unusual but very encouraging expression of partnership.

Most problems in Industry could be avoided if there is friendly dialogue between employer and employee no sooner an issue is at its budding stage. Because my experience is, we wait till a minor issue matures into a major problem where invariably we need to go for arbitration or for that matter as high as the Supreme Court.

My fervent wish particularly in the SME sector as Mr. Rangala mentioned, is that you would give some of your time and experience in assisting SMEs through our network in collaboration with the networking of the Ministry of Labour to create the much desired awareness where a major issue could be nipped in the bud. While thanking the GTZ and the Ministry of Labour for assisting the Federation in this laudable venture, I am confident that this General Body would become an Icon in Industry Related problem resolution.



“Timely Intervention”

Mr. Samantha Abeywickrama
Secretary General, FCCISL

It gives me great pleasure to welcome all of you to this 1st meeting of the General Body of the Industrial Relations Forum

of FCCISL. I am particularly happy to welcome Senior Officials from the Ministry of Labour Relations and Manpower. I also welcome Representatives from the SME's and the Corporate sector, Representatives of Chambers of Commerce and Industry including the President and other office bearers of FCCISL, Trade Union Representatives and Ms. Uta Borges, Programme Coordinator from the GTZ who is supporting the Industrial Relations Forum of FCCISL. Special welcome to Dr. Saman Kelegama who will be making the Keynote Address this morning.

My colleagues Nihal and Nilu will make detailed presentations on the Industrial Relations Forum, its objectives and services. However, let me very briefly touch on why FCCISL thought it fit to create an Industrial Relations Forum exclusively for the SME sector.

We all recognize the importance of the SME sector in the National economy. Over 50% of the GDP is contributed by

the SME sector and over 60% of the work force belongs to the SME sector. FCCISL being the National Apex Body which represents over 9,000 SME's in its membership, has recognized that the productivity and efficiency of the SME sector largely depend on the work force of the SME's. Healthy and Harmonious Industrial Relations coupled up with work force development initiatives could largely contribute to the overall performance of the SME sector. This is the rationale and justification for the Industrial Relations Forum of FCCISL.

The IRF has already been active in creating a harmonious environment both in terms of labour and employment policy at national level and in terms of action at firm level which will lead to creation of better employer-employee relations. This two pronged approach of the IRF needs to be strengthened in the future.

All of you will be more educated on this timely intervention of FCCISL when you listen to other speakers this morning. You being members of the General Body of the IRF are very much welcome to contribute in whatever way you can to realize the worthy objectives of this Forum. I welcome you once again to this important meeting.

The First Meeting of the General Body of the Industrial Relations Forum of the Federation of Chambers of Commerce and Industry of Sri Lanka.

“Forum for Step-Children of the Business Community”

Mr. Nihal Rangala
Director HRD & IR, FCCISL



The first General Body Meeting of the Industrial Relations Forum marks yet another milestone in the history of achievements of the FCCISL, establishing the largest, most representative and the most powerful Industrial Relations Unit in the Private Sector.

The largest, considering its numerical configuration, most representative as the Federation has 52 Regional Chambers and Associations covering around 9000 companies with a work force of around 1.5 million, and most powerful as FCCISL is directly linked to the Ministry of Labour, which has nominated 8 Senior Persons including an Additional Secretary to serve on the IRF Committee.

This collaborative agreement makes for a classic example of Private-Public Partnership which has been duly recognized by the Hon. Minister of Labour Relations and Manpower in his message.

All this was possible due to the intervention of two Establishments and two concerned Individuals. The Government of Germany through its Implementing Agency the GTZ, and the Government of Sri Lanka through the Ministry of Labour Relations and Manpower. As for the Individuals concerned Ms. Uta Borges, Programme Coordinator, GTZ - for her continued

support on behalf of GTZ, which looked after all fiduciary implications from 2005 and Mr. Mahinda Madihahewa Secretary, Ministry of Labour Relations and Manpower who has assisted the Federation over the past decade if not more. ‘No’ was never in his vocabulary if ever a request was made by the FCCISL.

The IRF was set up to espouse and foster the cause of the Step Children of the Business Community, the SMEs, who ironically form the Backbone of the Economy of the Country.

However, the Heavy Weights of Industry are expected to partake in the IRF. Mainly by sharing their knowledge and experience and a little bit of time in order that we could imbibe and in turn inculcate best practices through to the SMEs.

The structure of the Forum will consist of an Executive Committee and an Advisory Committee. The General Body will meet once in 2 ½ - 3 months while the Executive Committee will meet at more frequent intervals and will play the role of the Board of Management. The Advisory Committee will meet on policy issues as and when deemed appropriate.

“Future for Local Entrepreneurship”

By Mr. D.W. Subasinghe
Secretary General, Ceylon Federation of Trade Unions



Trade Unions are supposed to protect rights of workers, represent them and fight for their due, benefits and shares. Aren't Trade Unions interested in employment? Are they only worried about organizing those people who are in employment and protecting their jobs? What about those large numbers who are outside? Now I'm a person who is interested in generating employment. If too many people are unemployed the organization suffers. Some people always point out and tell other people who are willing to work less, "you are asking more and more benefits". It's better for wages to be higher, if there is less unemployment. Even if it is a selfish point of view, I must say, the working class needs employment to be there. Too much unemployment is very unhealthy.

However, I'm interested in SME's because of the significance of the SME's for the development of our country and more interested because of the challenges to SMEs from Globalisation. SME's are the places where our talented local people can get into entrepreneurship creation and show their talent. What is the future for entrepreneurship?

I am referring to SMEs, particularly our local SMEs, Sri Lankan citizens. There was a Relationship in Industrial Relations called "Master Servant", and that is not very productive. In this era, in particular, we cannot have a "Master Servant" relationship with our youth, who are today educated through media and are aware of human rights and the rest of the entire world. This is considered a kind of feudal mentality. But the feudal mentality exists in our people and there is a benevolent feudal type.

In modern Industrial Relations, mostly in America and particularly in a small enterprise it is easier to take the workers into confidence and treat them with the deserving dignity. We assemble to do something and we can teach these young people about the need for saving in consumption. There must be a relationship between consumption and saving. Let them take responsibility for both. Work as a community and save.

The First Meeting of the General Body of the Industrial Relations Forum of the Federation of Chambers of Commerce and Industry of Sri Lanka.



“Congratulations IRF”

Ms. Uta Borges
Programme Coordinator, GTZ

As we all know relevant parts of Labour legislation in Sri Lanka dates back to times when the economy was governed by large parastatals.

This has since changed and

these Labour legislation and related institutions are in many aspects not in line with requirements of a modern economy based on market mechanism. Let me make a note at this point. If I'm talking of an economy based on market principles I'm not referring to Manchester capitalism. But in an economic system generally governed and regulated by the demand and supply mechanism at all affecting of markets, including the Labour market.

One should accept that Sri Lanka has not really developed a negotiation culture, which I believe also has to be considered in the context of our topic today. Since I'm not a sociologist I will not dig deeper into this issue. These factors, the legislation, as well as the cultural background, together with other contributing factors, led to a situation which is characterised by high staff turnover, Labour disputes, strikes and subsequently low Labour productivity.

I originally intended to site Carl Marks but since Mr. Subasinghe has done that already I could also site Schumpeter other economists since they all believed that the entire economic theory defines the human factor as the source of value production. And I think that is important. And if we accept that fact a conducive working environment is of sincere importance for both parties, for the employees as well as for the employers.

Statistics show that Small & Medium Enterprises are much more affected by Labour conflicts than the large corporate sectors. Equally, micro enterprises are less affected due to the informal nature or because they are family based and that they to a large extent can slip through legislative requirements, of course, with all negative consequences. Large companies can afford human resource departments, specialized expertise and generally more able to set-up proper mechanism.

Severely affected are companies with the Labour forces of fifty to hundred employees. This is the segment of the economy with high innovation and job creation potentials. It has been mentioned in all the stages today, that this is seen as the engine for growth and from experience in my own country Germany, I can say that this is exactly the segment of the economy which was responsible for what was called the “German Economic Wonder” after the 2nd World War.

The German assistance therefore, is directed to improve the competitiveness of this sector by supporting the integration of SME's into value chains and thus enhance their access to international markets, and at the same time support the vocational training system to deliver adequately qualified people according to the modernizations and needs of the SME Industries. In this field we also cooperate very successfully with the Federation and I would like to take this opportunity to express my sincere thanks to the good work the Federation has done so far. All these efforts to increase productivity, modernize production technology and thus become more competitive in international markets, will not become fruitful if the relationship between the workforce and the management is distorted.

(Continued from page 05)

“INDUSTRIAL RELATIONS AND ECONOMIC DEVELOPMENT”

Basically the private sector has to factor in and live with the existing labour legislations. There are no options” he explained.

Dr. Kelegama concluded his key note address by expressing his confidence in the effort of the Industrial Relations Forum of the FCCISL for, ‘more sensitization and awareness of the importance of Industrial Relations, effectively contributing to maintain the required harmony in Industrial Relations in this country to achieve higher economic growth and prosperity.’

Wise Quotes

“The winner is the chef who takes the same ingredients as everyone else and produces the best results...”

Edward de Bono

“Satisfaction does not come with achievement, but with effort. Full effort is full victory...”

Mahatma Gandhi

“You can buy a person's hands but you can't buy his heart. His heart is where his enthusiasm, his loyalty is...”

Stephen Covey

The First Meeting of the General Body of the Industrial Relations Forum of the Federation of Chambers of Commerce and Industry of Sri Lanka.

“Harmony Between the Employer and Employee”

Ms. Nilu Rajapakse

Deputy Director HRD & Industrial Relations, FCCISL



The Industrial Relations Forum (IRF) was setup in 2005 as a special unit under the HRD division of the Federation of Chambers of Commerce and Industry of Sri Lanka (FCCISL) to address the Industrial Relations and other employment and labour related needs, particularly in the Small and Medium Enterprise (SME) sector in Sri Lanka. The IRF is supported by the Sri Lanka German Development Cooperation through the German Technical Cooperation (GTZ).

The prime objective of the Industrial Relations Forum is “Creating a harmonious relationship between the Employer and the Employee”.

The IRF functions can be categorized into four main areas, namely Capacity Building, Awareness Creation, Consultancy Service and Advocacy Services.

Functions of the IRF are to;

- Create awareness for employers, trade unions and employees on their contractual obligations to foster better understanding of their duties/obligations,
- Create awareness towards building a better relationship between employees and employers,
- Act as mediator in problem resolution through consultancy services on industrial and labour related issues,
- Undertake measures to establish harmonious industrial relations within establishments of member firms,
- Provide training and advice on labour laws,
- Facilitate quality and productivity improvement of enterprises,
- Undertake search studies on employment and industrial relations.
- Publish a bi-monthly newsletter and manuals on industrial relations and labour laws.

Capacity Building

The HRD Division of the FCCISL has a “Resource Persons Pool” of over 100 high calibre personnel available as required with over 30 professionally designed certificate courses, and Over 30 short programmes

Awareness Creation

The HRD Division issues a bi-monthly newsletter dedicated to Industrial Relations carrying many topical articles by leading

professionals in the country. Manuals on labor related issues are also published as well as regular Newspaper articles and High-level seminars on up-to-date issues.

Advocacy Services

The FCCISL represents SMEs on policy issues with State authorities through our close connections with the Ministry of Labour, and affiliate Membership of the Employers Federation of Ceylon (EFC).

Consultancy Services

The FCCISL carries out advisory services on varying issues, primarily labour related and research is also undertaken for example “Best Practices in industrial relations”.

Among our other resources we have a fully equipped lecture room (40 seater), auditorium facilities (250 seater), a regionally distributed chamber network and Close Connections with the Distance Learning Centre (DLC).

Our activities for year 2005/2006 include:

- 30 seminars in Colombo – participation of 755
- 13 outstation seminars – participation of 283
- 03 in-house seminars – participation of 73
- 02 high level conferences – participation of 74
- 05 certificate courses – participation of 94
- 23 advisory service assignments on labour related issues

Progress 2005/2006:

Over 1500 persons attended Seminars / Workshops representing over 600 private sector and state sector organizations and individuals. 14 Programmes were conducted during the last 3 months of 2005/2006. 4 of them repeats due to over registration.

The General Body

The General body of the Industrial Relation Forum is of a tripartite composition creating the much needed Public-Private partnership in the Business Sector. The General Body comprises of members from the Ministry of Labour, Affiliated organisations and of organizations across the Industry, leading the way to implementing Best Practices of Industrial Relations across Sri Lanka.

Industrial Relations Forum

The First General Body Meeting

23 February 2007, Hilton Colombo Residence



Mr. Priyal de Silva - Senior Manager Employee Development, Union Assurance, Ms. Seema Nicholas - Manager HR, George Steuarts, Ms. Deshika Fernando - Group Head of HR, Hirdaramani Group, Mr. Brian de Silva - Labour Consultant, Nisol Diamonds, Mr. Nortan Fernando - Labour Consultant, Ministry of Labour, Mr. Gunasiri Weerakoon - Labour Consultant, Mr. D.M.S. Dissanayake - Commissioner Industrial Relations.



Mr. Nortan Fernando - Consultant Ministry of Labour, Mr. Gunasiri Weerakoon - Former Commissioner General of the Department of Labour and Mr. D.M.S. Dissanayake - Commissioner Industrial Relations, Department of Labour.



Mr. Shiran Weerakone - Group Relationship Manager, Employee Relations, Dialog Telekom, Faiz Omar - Manager Compliance & Health & Safety, MAS Intimates, Mr. Bennett Patternott - General Manager Human Resources, Carson Cumberbatch and Company Ltd., Mr. Nilush Cooray, Head of HR for Retail Sector, John Keells Holdings.



Ms. Kingsley Bernard - Director Business Development, Daya Group and Mr. Tissa Jayaweera, Vice-President, FCCISL.



Praneetha Abeysinghe - The Sunday Leader, Steve Morrel - The Island and Mr. Nawaz Rajabdeen - The President of FCCISL.

Ms. Nilu Rajapakse - Deputy Director HRD & IR, Mr. Nihal Rangala - Director HRD & IR, Mr. Chandrasiri Hewapattini - Head of Human Resources, NationsTrust Bank and Mr. Claude Perera - Head of Human Resources, Commercial Bank.



Mr. Mervin Rodrigo, General Manager HR, Jinesena, Ms. Udeshika Abeysinghe, Ceylon Biscuits and Mr. Brian de Silva, HR Consultant Nisol Diamonds.



Mr. Bennett Patternott - General Manager HR, Carson Cumberbatch, Mr. Chandrasiri Hewapattini, Head of HR, Nations Trust Bank and Mr. Priyal de Silva, Senior Manager Employee Development, Union Assurance



Ms. Uta Borges - Programme Coordinator, GTZ, Ms. Ramya Weerakoon - Chairperson, Womens Chamber of Commerce, Ms. Tine Staemose - Country Director, ILO.



< Ms. Udeshika Abeysinghe - Ceylon Biscuits, Mr. Mervyn Rodrigo - General Manager HR, Jinasena, Mr. Brian de Silva, HR Consultant, Nisol Diamonds.

FCCISL Diary

Feb/Mar 2007



Chief Guest, Dr. Charitha Herath, Consultant, Ministry of Information and Communication, speaking at the launch of 'Sithijayen Eha', the newsletter published by Small and Medium Enterprise Developers (SMED) of the FCCISL on 23rd Jan 2007.



Prof. G.L. Peiris speaking at the Key Person's Forum organised by the Small and Medium Enterprise Developers (SMED), 9th March 2007 at Galle Face Hotel

For inquiries on the Forum for Business for Peace Initiative, please contact Ms. Nilakshi Fernando on 4741436-7.



Core Group Meeting of the Institute of Business and Industrial Studies (IBIS), FCCISL, 14th February 2007



Prof. Tissa Vitharana was the guest speaker at the Business for Peace Initiative (BPI) organised by Back to Business Project of the FCCISL on 15th March 2007 at the Hilton Colombo Residence



Opening Ceremony of the Kalutara Handwork Centre (KHC) took place on 23rd March 2007.



Hon. Mr. Ranil Wickramasinghe, Opposition Leader, speaking at the Business for Peace Initiative (BPI) Forum organised by Back to Business Project of the FCCISL on 20th February 2007 at the Hilton Colombo Residence



on 21st March 2007, signing of the MOU between the Dept. of Commerce, Yunang Province, China and the FCCISL, appointing the FCCISL as the authority in Sri Lanka to promote China Import Trade Fair of the Kunming for the next six (06) years. The FCCISL will act as the co-organiser and collaborator in Sri Lanka.

For inquiries please contact Mr. Hildon Hamangoda - Director SAARC International Affairs on 2304252-3, 5335962-4.



Appointments and MOUs

- ◆ Member of the Governing Council of the Sri Lanka Institute for Advanced Technical Education (SLIATE)
- ◆ Board Member of Jobsnet
- ◆ Member of the Executive Agency of the ADB funded Education Sector Development Project
- ◆ Member of the National Advisory Committee on Manpower Planning, Development and Labour Market Monitoring
- ◆ MOU with the Chartered Institute of Management Accountants (CIMA)

The General Body of the Industrial Relations Forum

Chairman

1. Mr. Samantha Abeywickrama – Secretary General, FCCISL
22. Mr. Nilantha Jayasinghe, Employees Relative Manager - Ceylon Cold Stores

Members

2. Mr. Nihal Rangala – Director HRD & IR
3. Ms. Nilu Rajapakse – Deputy Director HRD & IR
4. Mr. Nortan Fernando, Consultant - Ministry of Labour
5. Mr. D. L. Kumaradasa, Additional Secretary - Employment Creation and Promotion Division, Ministry of Labour
6. Mr. D. M. S. Dissanayake, Commissioner Industrial Relations, Department of Labour
7. Mr. Herath Yapa, Commissioner of Labour - Workers Education Division, Department of Labour
8. Mr. G. S. Pathirana, Deputy Commissioner of Labour, Labour Standards Division, Department of Labour
9. Mr. D. L. A. Peiris, Factory Inspecting Engineer - Industrial Safety Division, Department of Labour
10. Ms. H. M. D. N. K. Wataliyadda, Assistant Commissioner of Labour - Social Dialog Unit, Department of Labour
11. Ms. Chandani Amaratunge, Commissioner of Labour - Women and Children Affairs Division, Department of Labour
23. Mr. Chandrasiri Hewapattini, Head of Human Resources - Nations Trust Bank Ltd.
24. Mr. Priyalal de Silva, Senior Manager Employee Development - Union Assurance Ltd.
25. Mr. Brian de Silva, Personnel Manager / Labour Consultant - Nisol Diamonds (Pvt) Ltd
26. Mr. Mangala de Silva, Assistant Manager - HRD, Colombo Dockyard Ltd.
27. Mr. Nigel Forbes, Chief People Officer - Brandix Lanka Limited
28. Mr. Ranjeewa Kulatunga, Head Human Resources Management and Development - Dialog Telekom Ltd.
29. Mr. Shan Heenkenda, Group Relationship Manager, Employee Relations & IR - DFCC Bank
30. Mr. Marcus Liyanage, Personnel Manager - Associated Motorways Ltd.
31. Mr. Harin Malwatte, HRD Manager - MJF Group
32. Ms. Seema Nicholas, HR Manager - George Stuerts
33. Mr. Rohan Pandithakoralage, Director HRD - Aitken Spence Group
34. Mr. Bennett Patternott, General Manager Human Resources - Carson Cumberbatch and Company Ltd.
35. Ms. Shanaz Preena, Director HR - MAS Intimate (Pvt) Ltd.

GTZ

12. Ms. Uta Borges, Programme Coordinator - GTZ

Chambers & Associations

13. Mr. D.W. Subasinghe, Secretary General - Ceylon Federation of Trade Unions
14. Ms. Ramya Weerakoon, Chairperson - Women's Chamber of Industry & Commerce
36. Mr. Faiz Omar, Manager Compliance and Health and Safety - MAS Intimates (Pvt) Ltd.
37. Mr. Priyantha Serasinghe, Head of Human Resources - Maharaja Organisation Ltd.
38. Mr. Isuru Tillekewardena, Group Human Resources Director, -Hemas Holdings Ltd.
39. Mr. Manjula Valentine, Senior Executive, HR & Admin - T & S Buttons (Brandix Group)
40. Mr. Chatura Wijesuriya, General Manager, HR - Ceylon Biscuits Limited

Labour Consultants

15. Mr. Gunasiri Weerakoon - Senior Labour Consultant
16. Mr. Bandula Ratnayake, Director Studies - Institute of Personnel Management
41. Mr. Keerthi Alwis, General Manager, HR - Lanka Bell (Private) Limited
42. Mr. Mervyn Rodrigo, General Manager (HR), Jinasena Ltd.
43. Mr. Chandana Jayawardena, Senior Manager, Ceylinco Development Bank

Industry

17. Mr. Claude Perera, Head of Human Resource Management - Commercial Bank
18. Mr. Nilush Cooray, Head of HR, Retail Sector - John Keells Holdings
19. Ms. Deshika Fernando, Group Head of HR - Hirdaramani Group
20. Mr. Kingsley Bernard, Director Corporate Planning and Business Development - Daya Group Ltd.
21. Mr. Claude Baldsing, Human Resources Manager - Lankem Ceylon Limited.
44. Ms. Nandani Gamlath, Personnel Manager - Tudawe Brothers Ltd.
45. Mr. P.T.K. Ramakrishna, Group HR and Administration Manager - Sea Consortium Lanka (Pvt) Ltd.
46. Mr. Dassanayake, Department Head Human Resources Development - Peoples Bank
47. Naomal Basnayake, Director Human Resources and Administration - Paxar Lanka (Pvt) Ltd.
48. Ms. Samantha Bandula, Group HR Manager, DIMO



IRF Short Programmes



(1/2 - 1&1/2 Days)

- ◆ Making Better and Informed Decisions
- ◆ Whole Brain Approach to Management
- ◆ Getting Best of Critical Thinking and Creative Thinking
- ◆ Building Super Performance Teams
- ◆ Creating a Productive Culture
- ◆ Leading With a Long-Term Vision
- ◆ Motivating People to Become Super Achievers
- ◆ Managing Change
- ◆ Report Writing Techniques
- ◆ Letter Writing for Results
- ◆ Communication for Success
- ◆ Presentation Skills
- ◆ Conducting Meetings
- ◆ Listening Counselling
- ◆ Conflict Management
- ◆ Negotiating Effectively
- ◆ Managing Performance
- ◆ Project Management
- ◆ Strategic Role of HRM
- ◆ Training Development
- ◆ Training of Trainers

For details please contact Ms. Tharanga, Ms. Sudanthi or Ms. Shyamali on:

Tel.: 2303350, 2304253/4 or 2303351,
 Fax : 4627559 or 2304255,
 Email : irf@fccisl.lk or hrd@fccisl.lk.

Labour Related Manuals



1. ව්‍යාපාරිකයින් සඳහා මූලික කමිකරු නීති අත්පොත
Rs. 200/-
2. Manual on Employee Misconduct & Disc. Action. (English)
Rs. 200/-
3. Manual on Basic Labour Law (English)
Rs. 300/-
4. හිවාඩු විවේක දිනයන් හා අතිකාල
Rs. 200/-
5. සේවක විෂමාවාරය හා විනය ක්‍රියාමාර්ගය
Rs. 200/-
6. Industrial Safety and Health (English)
Rs. 300





Who is a Casual Employee?

Mr. Bandu Ratnayake
B.A. (Cey),
Former President IPM,
Labour Consultant

A casual employee is a person employed occasionally for “Casual type” of jobs, which arise at very irregular intervals (i.e. person employed to paint a house). There is no single test, which can be applied to identify a casual employee. In courts, it is a question of fact, in each case to be determined by reference to the following:-

i. Nature of the Work

Whether the nature of work is of a casual nature (non-recurring nature or not)

ii. The Period of Employment

If a worker is employed continuously for a long period, it would be difficult to establish that he is performing a casual job. Some employers, who employ workers for a long period, discontinue them at every six-months interval and re-employ them again, in a short period for the purpose of establishing its casual nature.

However, if a casual worker is employed to perform a job of a permanent nature, the mere fact that he was out of employment for a short period, would not be adequate to prove that he is a casual worker.

Example:

- (1) RVDB vs United Engineering workers Union (S.C.56/71)
 - (2) Ceylon Ceramics Corporation Vs Weerasinghe (S.C.24-25/76)
- iii. The description of an employee as a casual employee and his acceptance of such description does not settle the question as to whether he/she is a casual employee.
 - iv. A casual employee is a person employed only for the day or for a specific period (i.e. mason employed to build a house), with no expectation of work thereafter. Payment at the end of each day (not weekly or monthly payments) or each job has been considered to be consistent with the status of a person on a casual employment.
 - v. Casual employee is not excluded from the operation of labour laws. He is entitled to EPF, ETF as well as to be a member of a Trade Union. As interpreted in the EPF Act, if the nature of Job is regular, it cannot be treated as a casual job and deny the employee of EPF benefits.



IRF Training Programmes



- ◆ Business Management with option in Finance / Marketing
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- ◆ Inventory Control
- ◆ Marketing
- ◆ Practical English – Selected Levels
- ◆ Business English – Selected Levels
- ◆ Secretarial Practice – Applied, Intermediate or Advanced
- ◆ Export Import Procedures - Wharf / Shipping Procedures
- ◆ Clerical Skills Development
- ◆ Financial / Management Accounting for Non Accountants
- ◆ Supervisory Management
- ◆ Principles of Book Keeping

- ◆ Disciplinary Inquiry Procedures
- ◆ Effective Communication

The number of participants should ideally be between 15 and 30, rates are negotiable, and mutually convenient. Time Tables could be arranged. The Programmes could take the form of Certificate Courses, Workshops or Compact Courses and could be conducted either at the FCCISL or at the client's own premises (in-house).

For details please contact Ms. Tharanga, Ms. Sudanthi or Ms. Shyamali on:
Tel.: 2303350, 2304253 / 4 or 2303351,
Fax : 4627559 or 2304255,
Email : irf@fccisl.lk or hrd@fccisl.lk.

Laws of Persuasion for Negotiations

To get what you want in life, in work, and in play, requires constant negotiation with a variety of people. This involves basic communication skills, such as active listening and attention to non-verbal cues, and a clear understanding of your goals, as well as the objectives of your negotiating partner(s). To be truly effective, however, you need to know more. You should be able to communicate persuasively during the process of negotiation. Many situations you'll face as managers and employees will require you to effectively negotiate to a mutually beneficial (win-win) solution, including:

1. Responding to staff members' requests for promotions, salary increases, and other employment perks (as well as negotiating your own)
2. Negotiating with vendors for their best possible products, services, and prices
3. Convincing your team to do what you would like them to do
4. Working with external and internal clients on contracts (such as Service Level Agreements) that provide the quality services and equipment they need but in a manner that allows you to use your resources optimally.
5. Persuading supervisors to buy additional equipment, accept your budget proposals, try a new idea, etc...

In order to be successful in these instances, you must master the persuasion process, which will enable you to deliberately create the attitude change and subsequent actions necessary for persuading others to your way of thinking. In other words, you have to be able to "sell" your ideas in order to make changes in your favor and, in a win-win situation, provide the other side with a fair deal. This entails a process that can appeal to the intellect using logical and objective criteria, as well as a methodology that positively engages the emotions of the negotiators. The result of a successful negotiation is that all parties should believe they got a good deal.

Persuasion is the ability to influence people's thoughts and actions through specific strategies. To become adept at this skill, you must first understand some basic principles, called the Laws of Persuasion. These six laws by themselves are neither good nor bad, but describe how most people respond to certain circumstances. Psychologist Robert Cialdini wrote the seminal book on the Laws of Per-



..By understanding persuasion laws, you can control how much others unduly influence you, as well as how to use them to your benefit during negotiations...

...Some of the best masters of the art of persuasion in negotiation are highly successful salespeople who do their best not only to make the sale, but also to meet the needs of their buyers...

suation, titled "Influence: The Psychology of Persuasion", in which he discusses the prevalent methods of marketing. Even though you may not wish to believe it, a great deal of psychological research indicates that human beings are quite predictable in terms of behavior in response to certain stimuli, such as ads. This is why marketing and advertising are highly successful enterprises—by and large, consumers respond to most ads and commercials by buying the products and services they promote. By understanding persuasion laws, you can control how much others unduly influence you, as well as how to use them to your benefit during negotiations.

These laws work because they provide shortcuts to making the countless decisions people face every day as they look for information to reduce the complexity of life. If you can apply these laws in specific situations to your benefit, then your influence over others increases significantly. Some of the best masters of the art of persuasion in negotiation are highly successful sales people who do their best not only to make the sale, but also to meet the needs of their buyers. Here are the Six Laws of Persuasion:

Law of Reciprocity

Human beings, in general, try to repay in kind what another person has provided to them. If someone gives you something you want (or perhaps didn't "realize" you wanted), then you will wish to reciprocate because you now feel obligated. Examples of this Law include the address labels you receive in the mail from various non-profits requesting charitable contributions. Even though they are a minor, unsolicited "gift," sending them has increased contributions for non-profits manifold, because people feel compelled to "return the favor." Giving free samples to potential customers is another way in which this Law is used by successful salespeople.

Limited disclosure/confession of the real reason for a negotiation stance, such as "this is all the money we have," can provoke a concession from the other party. (This is often seen in salary/promotion negotiations.) Concessions in general follow this "tit-for-tat" rule (the lower the "value" of the concession on your part, of course, the better). >>

*By Jayadeva de Silva
Director/Principal Consultant
Humantalents UnLimited
Tel: 077 7272295
Email: djayadeva@gmail.com*

Law of Commitment and Consistency

People like to be (or at least appear to be) consistent in their thoughts, feelings, and actions. Once they have made a stand, they tend to stick to it and behave in ways that justify their earlier decisions, even if they are erroneous. If you make a commitment to a cause or product, however small, it then becomes easier to be convinced to increase it. This is especially true if the commitment changes your view of yourself in a favorable way. This is why salespersons attempt to get customers to agree with them multiple times. After saying “yes” so often, it is almost impossible to say “no” when it comes time for the close or direct request for the sale.

An example of this tactic would be using a series of questions to conduct the step-by-step close. Dale Carnegie, in ‘How to Win Friends and Influence People’, called this, “Get the other person saying ‘yes, yes’ immediately.” This occurs

when one party asks the other side to make a number of “small” decisions that lead to only one obvious conclusion: to accept the general concession. You could employ this principle by asking a potential client if she values quality in your product or service. Of course the only answer would be “yes.” Then you could follow with a question that begs the obvious: “We’d love to provide you with this product/service, but if we don’t get the resources we need from you (i. e. sufficient money) and quality suffers as a result, would you still want it?” How can the prospect say “yes” to poor quality? This tactic makes it easier for you to ask for additional funds. You might also see an example of this ploy when lowballing (intentional last-minute additions to what was originally a low price) occurs. Unscrupulous vendors might attempt to make you psychologically “invest” in a product that you initially believe costs less.

Law of Liking

When you like someone, or believe that they are “just like you,” you are more inclined to want to please them and, therefore, purchase whatever they are selling. This is how successful salespeople operate; they establish rapport by demonstrating how similar they are to their potential buyers. For example, they note that they are from a comparable background as you, or even better, they are people you know—your friends. As for those in-home sales parties, the kicker comes when your neighbors provide the testimonials for the product. You don’t want to disappoint them by not purchasing, do you? This law is often seen in the strategy of “good cop, bad cop,” where one person in the other negotiating party is clearly opposed to your objectives, but it appears that another of their team members is “on your side.” This causes you to identify with and trust the

“good” team member, so you may find yourself agreeing to the other team’s concessions and goals instead of your own. You can see this in situations where a salesperson “battles” their supervisor to get you a “better” deal (of course this was the result they wanted in the first place).

You might also apply this law to establish rapport up front when you are negotiating with your own superiors or teams.

Law of Scarcity

If you are not sure you want to buy something, the minute it becomes “the last one available” you tend to have second thoughts. After all, this must indicate that others are purchasing it, and you might not be able to get another one quickly, or at all, if you decide you want it later. So you take the bait to buy a popular item that others won’t be able to get. At least that’s what you think.

...The more time you spend with a salesperson, the more commitment he or she has to make the deal. If you are under no time pressure and the other side is, you have the upper hand....

The more time you spend with a salesperson, the more commitment he or she has to make the deal. If you are under no time pressure and the other side is, you have the upper hand.

Law of Authority

This is the law that uses celebrity endorsements or “expert” testimonials. When people you admire promote a product or service, if it’s good enough for them, then it’s good enough for you. And if you use it, then you might even develop similar characteristics to your heroes, such as good looks, wealth, or fame. That’s what the advertisers are counting on. Vendors often quote vague authorities to sell their wares, “Experts say our product is the best.” But who are these experts? What are their qualifications to make these claims? Do they have a vested interest in selling the company’s products or services? In addition, use this Law to establish your own credentials/credibility early in the negotiation.

...“Experts say our product is the best.” But who are these experts? What are their qualifications to make these claims? Do they have a vested interest in selling the company’s products or services?...

Law of Social Proof

Why have TV comedies used canned laugh tracks for years? Producers wouldn’t employ them unless they actually are successful in eliciting audience laughter and, subsequently, higher ratings. Part of the reason you laugh along anyway in spite of your annoyance lies in how you decide what is socially “correct” behavior. If you don’t know exactly what to do, you rely on others around you (or the virtual TV audience) to help you find the way to properly react. You think if others are engaging in a specific behavior, it must be the proper thing to do. Hence, you laugh in spite of yourself, or if you’re told that “everyone is buying this product or ser-

vice," even without evidence, you may think you're missing out if you don't comply or conform and get it for yourself. This law works when you draw on testimonials from satisfied customers or clients (unscripted ones are best) to encourage new prospects to buy your services and products. The law also can be used to convince your supervisors or staff that their counterparts in other divisions or companies are following similar suggestions to yours. People want to feel like they are part of an established community that already knows where it is going.

Using the Laws of Persuasion

As mentioned, in any negotiation, all parties should arrive at a conclusion that makes them feel like they got a good deal, especially if an on-going relationship is involved. (Note:

a "good deal" is not always the same for everyone; negotiators often have different criteria by which they judge the success of their bargaining outcomes.) Persuasion can be used for good or ill. In an environment that seeks to follow ethical rules, it should only be used to make lives better. Manipulation occurs when you exploit or deceive others solely for your own gain. This does not result in a win-win situation. Being adept at persuasion is often the missing key to success in the workplace and your personal life. If you give people what they want via the Six Laws of Persuasion, they'll most likely return the favor. And when you recognize that you are being manipulated, you can call the other side on their tactics and counter with an appropriate strategy. This will lead to a more effective way of achieving the goals of all negotiating parties ☐



Occupational Safety and Health

OSH Training

(An excerpt from the handbook on Occupational Health and Safety by Mr. V.M. Karunaratne)

Any training related to OSH, to be effective, should commence by the participation of the senior managers and continue the training down to the lower levels. It is observed that in most workplaces, only the workers are 'put through' training sessions on OSH, but not those who supervise the work of the workers, nor those above the supervisors who are expected to manage the activities in the workplace. This is a major shortcoming in the process of dissemination of OSH practices, etc. In this respect attention is drawn to subsection (5) of section 105 of the Factories Ordinance, which is reproduced as the one before the last paragraph in section 1.8 on page 23 herein.

A poorly trained or instructed worker is likely to take incorrect action due to his lack of knowledge of subjective perception of the dangers at work.

Likewise, if the immediate supervisory personnel had not received correctly structured training, they may not be in a position to correct and standby by his or her instructions.

Therefore managements should implement well structured training programs on OSH for all personnel, including managerial personnel, after

conducting a Training Need Assessment (TNA).

Training needs will differ from level to level and from occupation to occupation. For example an OSH training program structured for welders, should have components such as, the need to work safely, how to work safely, their responsibilities and a session on technical safety relevant to the work they do. The contents in the technical session should be designed in a manner to enhance their existing knowledge on the work they do. A 'pep talk' on OSH will not interest them as much as the technical safety component.

Regarding electricity, one should distinguish between personnel who use electricity during their course of work and those who work with electricity. A training program meant for the latter category, if conducted for the user category, could lead to serious consequences as that category will not be familiar with the basics and the behaviour of electricity.

Training programs for operators should be designed taking into account machinery, equipment, etc., they have to operate. If the management is interested in multi-skilled operations, such training programs should be structured to cover all machinery, equipment, etc., available in the factory.

Training programs structured for the supervisory personnel in addition to the overview on OSH and their legal responsibilities, should have an in-depth technical safety component, so that they could guide the operators and explain to them the correct and safe way of doing the work as against the incorrect way.

Training programs for managerial personnel should be structured in such a manner that they get committed to OSH as much as to production and QA. ☐



Wise Quotes

"Many of life's failures are people who did not realize how close they were to success when they gave up..."

Thomas A. Edison

"The brain is a wonderful organ. It starts working the moment you get up in the morning, and does not stop until you get into the office..."

Robert Frost

Questions



and Answers

Mr. Bandu Ratnayake
B.A. (Cey), Former President IPM
Labour Consultant

Please send your questions to irf@fccisl.lk
alternatively you can mail it to:

The Editor
IRF Newsletter
Level 4, No. 53, Vauxhall Lane,
Colombo 02.

Question : I worked for a reputed company for four years, and resigned amicably when I was offered a better break. When I left, the Human Resources Division promised to mail my B-Card to me. I am now interested in amalgamating my EPF accounts. Now, although I have made several requests by phone and by e-mail, my previous company has not sent the B-Card to me. Please explain how I can continue with the amalgamation of the accounts in these circumstances?

Answer : B Card cannot be retained by the Employer. You may make a complaint to the Commissioner General of Labour regarding this.

Question : I am a female aged 28, and I left permanent employment within 5 months of my marriage. I need to withdraw my EPF money based on grounds of marriage. I have several EPF accounts connected to different companies that I worked for, and I have all the relevant B-Cards. But the last company I worked for is refusing to certify the Employers section of the EPF withdrawal form. The reason is because they have defaulted their EPF payment, for which I have made a formal complaint to the Department of Labour. Can you tell me the best method to proceed?

Answer : You have already done the needful by complaining to the Labour Department. The Department of Labour will send a Labour Officer to the workplace and after examining documents he will certify the Employer's section.

Question : I am expecting my second child, and I will be taking maternity leave in seven months time. I presently work from 8.30 to 5.00. Am I entitled to go home early before the confinement?

Answer : It is not stated whether you are working in an office or shop or any other trade covered by Maternity Benefits Ordinance. Under maternity Benefits ordinance, the employee is entitled to a two hour nursing interval each day, if the born child is under one year of age. However, this is not applicable before the child is born. Furthermore, this benefit is also not applicable to employees working in shops and offices. If a crèche or other suitable place is provided for nursing of children, the interval is

one hour per day

Question : If an employee delivers twins or triplets what are the benefits she gets with regard to leave entitlement?

Answer : Under the shop and Office Employees Act the employee is entitled to 84 days leave (inclusive of holidays) for the first and second child, and 42 days leave for a third or subsequent child. Similarly, an employee is entitled to 42 days maternity leave for the 3rd child. If an employee delivers twins during the third pregnancy (3rd child), she will receive only 42 days of leave.

Question : If the appointment letter was dated 01/01/2007, and the probation period is six months, from what day is the employee entitled for EPF/ETF?

Answer : The employee is entitled for EPF/ETF from the date of appointment irrespective of the fact whether he/she is on probation or not. Accordingly you are entitled for EPF/ETF from 01/01/2007.

Question : I have been offered two positions, one on contract basis and the other is a permanent position. I would like to weigh the options. Please explain the distinctions between contract employment and permanent employment and the pros and cons from an employee's point of view.

Answer : Permanent employment means you are on employment until retirement. It is one form of a contract of employment. There are other contracts such as Fixed Term Contracts and Temporary Contracts. A Fixed Term or Temporary contract is limited to a fixed period whereas a Permanent Contract will continue until retirement age.

Question : An Employer has remitted the EPF Contribution for the first three months of employment. From there on they have not remitted the contribution regularly and have missed out certain months. But they have deducted from the Employee and the Salary Slip shows the total contribution. How can an Employee keep a track of the remittances? How is the Employee compensated for the bank interest lost from the Employer's shortcoming?

Answer : The Employee is receiving a statement from the Central Bank indicating contributions lying to his credit at the end of each year. You can calculate your contribution and employer's contribution and check whether due amounts are credited to your EPF account by tallying the amount with the amount given in the Central Bank statement. You can also visit EPF Department of the Central Bank and check whether due remittance has been made by the Employer.

With regard to the interest lost, the Commissioner will take action to recover the EPF contribution from the Employer along with a surcharge, and if necessary they will even take legal action to recover the EPF. Therefore the employee will not be deprived of his dues with interest.



Industrial Relations Forum Newsletter Subscription

The IRF Newsletter is a bi-monthly publication which explores timely and relevant issues in Industrial Relations in Sri Lanka, and features interviews and articles from leading professionals in the country.

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Certificate Courses

FEB / MAR 2007

1. Practical English

Commencing date 13th February 2007
Duration Tuesdays 9.15 a.m. to 12.45 p.m. (14 weeks)
Fees Rs. 7,000/= + 15% VAT

Participant Profile

A participant friendly Course for frontline staff (Receptionists, Counter Staff, Junior Level Secretaries and others) wanting to improve their spoken and written English skills and manage stage fright.

2. Advanced Secretarial Practice

Commencing date 14th February 2007
Duration Wednesdays 9.15 a.m. to 12.45 p.m. (14 weeks)
Fees Rs. 8,000/= + 15% VAT

Participant Profile

A professionally designed programme for Senior Level Secretaries, Personal Assistants and others in similar positions

3. Export / Import Documentation – Banking and Customs

Commencing date 14th February 2007
Duration Wednesdays 1.30 p.m. to 4.45 p.m. (10 weeks)
Fees Rs. 10,000/= + 15% VAT

Participant Profile

An advanced Programme for Middle and Senior Management Personnel and Entrepreneurs.

4. Business English

Commencing date 23rd February 2007
Duration Fridays 9.15 a.m. to 12.45 p.m. (14 weeks)
Fees Rs. 7,500/= + 15% VAT

Participant Profile

Specially designed for most working persons who possess a working knowledge of English, and those pursuing or aspiring to pursue professional tertiary level programmes.

No lectures will be held on Poya Days and Public Holidays

April / May 2007 Seminar Series

The Federation of Chambers of Commerce & Industry of Sri Lanka (FCCISL) is pleased to announce the following Seminars on Labour and Industrial Relations scheduled for April/May 2007 as detailed below.

1. Terms & Conditions of Employment

Tuesday, 24th April, 9.00 a.m. - 1.00 p.m.
Mr. G. Weerakoon – Former Commissioner General of Labour, Labour Consultant
Mr. Sarath Ranaweera – Former Commissioner of Labour, Labour Consultant

2. EPF/ETF & Gratuity

Wednesday, 25th April, 1.00 p.m. - 4.30 p.m.
Mr. Sarath Ranaweera – Former Commissioner of Labour, Labour Consultant

3. Occupational Safety and Health

Thursday, 26th April, 9.00 a.m. - 1.00 p.m.
Mr. V. M. Karunaratne – C. Eng. former Chief Factories Inspector – Dept. of Labour

4. Laws Related to Recruitment

Tuesday, 8th May, 9.00 a.m. - 1.00 p.m.
Mr. Bandula Ratnayake – BA (Cey), FIPM, Labour Consultant

5. Termination of Employment

Thursday, 10th May, 9.00 a.m. - 1.00 p.m.
Mr. G. Weerakoon – Former Commissioner General of Labour, Labour Consultant
Mr. Bandula Ratnayake – BA (Cey), FIPM, Labour Consultant

6. Leadership & Motivation

Tuesday, 15th May, 9.00 a.m. - 1.00 p.m.
Mr. Nishantha Kamaladasa – B.Sc. (Eng.) MBA, MIE, C Eng. Management Consultant

7. Change Management & Conflict Management

Thursday, 24th May, 9.00 p.m. - 1.00 p.m.
Mr. Nishantha Kamaladasa – B.Sc. (Eng.) MBA, MIE, C Eng. Management Consultant

For registration or further details please call over or contact Ms. Tharanga, Ms. Sudanthi or Ms. Shyamali on: Tel.: 2303350, 2304253 / 4 or 2303351, Fax : 4627559 or 2304255, Email : irf@fccisl.lk or hrd@fccisl.lk.