

Chapter 18

Employee Discipline Management

Employee Discipline Management (EDM) can be introduced as a very important HRM function. Discipline is essential not only for the success of general life of a person but also for the success and progress of success of an organization.

Chapter Objectives

After studying this Chapter successfully, you should be able to:

1. Define what Employee Discipline Management is.
2. Explain why employee discipline is important for an organization.
3. Understand a framework of Employee Discipline Management.
4. Ascertain rules of employee behaviour.
5. Know how to conduct a disciplinary investigation.
6. Understand how to determine sanctions and implement them.
7. Apply informal talk using sandwich and participative approaches.
8. Ascertain how to apply progressive discipline.
9. Differentiate between discipline meeting and discipline interview and know how to conduct them.
10. Write necessary letters such as order of suspension, charge sheet, notice of formal inquiry, termination, and warning letter.
11. Know what questions to be used in review and renewal and some additional principles to be followed in managing discipline.

Definition of Discipline

Robbins (1982) defines that the term "discipline" refers to a condition in the organisation when employees conduct themselves in accordance with the organisation's rules and standards of acceptable behaviour. According to Collins Birmingham University English Language Dictionary (1987), discipline is the practice of making people obey strict rules of behaviour and of punishing them when they do not obey them. Werther and Davis (1989) define discipline as management action to encourage compliance with organisational standards. Mathis and Jackson (2000) define discipline as a form of training that enforces organisational rules.

Based on the above definitions the term 'Discipline' involves the following:

- i. A condition where employees conduct themselves in accordance with rules and standards of acceptable behaviour.
- ii. To make employees obey rules of behaviour.
- iii. To punish employees when they do not obey rules of behaviour.
- iv. Managerial action encouraging employees to comply with standards of the organisation.
- v. A form of training to enforce organisational rules.

Any organisation, whether private or public has goals to be achieved. An organization may have established goals such as increasing net assets of owners, maximizing customer satisfaction, achieving institutional growth, improving market share, achieving financial stability and so on. In order to achieve the organizational goals proper employee discipline is of very importance. The existence of a good organization becomes necessary for all the stakeholders such as owners, managers, workers, suppliers, customers, investors and even the Government. Hence it becomes necessary that all the employees (managers and non-managers) in an organization adhere to the rules about work behaviour.

The basic purpose of discipline is to encourage employees to behave sensibly at work, where "sensible behaviour" is defined as adhering to rules (Dessler, 1984). Rules refer to official instructions in respect of what employees must and are allowed to do and what employees are not allowed to do. For instances, 'to start working at 8.00 a.m.' is an official instruction the employees must follow and 'not to smoke within the factory' is an official instruction that employees are not allowed to do.

Here the term 'rules' has a broad meaning that includes essential job performance standards, standards of conduct and attendance, regulations, policies and procedures to be followed in carrying out various organizational activities as well. In general rules are made to protect the organizations from indiscipline behaviour of employees.

EDM is defined as a systematic process of controlling and influencing all employees in the organization to achieve and maintain standards of behaviour (rules of behaviour, alternatively the code of behaviour at work) in order to accomplish organizational goals and objectives. It is viewed as formulation, implementation and on-going maintenance of a fair and constructive discipline system for controlling human behaviour.

Importance of Discipline

Discipline means securing consistent behaviour in accordance with the accepted norms of behaviour and it is essential to a democratic way of life (Singh et al, 1990). Proper administration of discipline results in willing cooperation and observance of the rules established to achieve organizational goals and objectives. Proper employee

discipline will lead to the absence of disorders and irregularities in the employees' behaviour. Disciplined employees cooperate and behave in orderly way.

One author namely Tripathi (1992) notes:

"Nothing left loose ever does anything creative. No horse gets anywhere until he is harnessed. No steam ever drives anything until it is confined. No Niagra is ever turned into light and power until it is funnelled. No man ever grows until he is disciplined".

Within an organization whether it is a business, a society, a university, a trade union or an association, the creation, promotion and maintenance of employee discipline are essential for making any organized activity efficient and effective. Employee morale and industrial peace are definitely linked with a proper maintenance of discipline (Mamoria, 1991). Also Mamoria (1991) stresses that if the members of a group do not abide by the rules, the organization itself may collapse and chaos, confusion, disobedience, disloyalty and anti-social and anti-organizational activities develop to the detriment of everyone. Discipline is very essential for a healthy industrial atmosphere and the achievement of organizational goals (Monappa, 1995).

Thus, employee discipline seems to be an essential phenomenon in industry. Therefore, managing employee discipline properly is of very importance. It involves regularisation of employees' behaviour in compliance with established rules in order to achieve desired goals of the organization. The main purpose of employee discipline management is to ensure that employees conform to norms or standards of behaviour at work determined by management as being necessary for the attainment of organizational goals.

EDM is one direct way in which the human resource/personnel department or the organization seeks to shape labour-management relations (Hackett, 1994). If this shaping is not fair and right, it will lead to unfavourable labour management relations. Disciplining workers involves inflicting penalties on workers who have violated rules of the organization (Dessler, 1984) and is not a pleasant task (Catt and Miller, 1991). The infliction of penalties on workers, of course, involves penalising them to a certain extent that may be higher or lower depending on the severity of the rule violation. Therefore, disciplining workers is vulnerable to disagreements, lack of co-operation and even conflicts between workers and management or unions and management. If disciplining is done unfairly and discriminatively it will lead to unfavourable labour management relations. There is empirical evidence that employee discipline administration is a significant determinant of labour – management relationship in manufacturing firms in Sri Lanka (Opatha, 2005). Hence, Proper EDM is very important.

As disciplinary actions may have serious repercussions on the employees, organizations and even on the industry, they must be based on certain principles in order to be fair and acceptable to the employees, their representatives and other

interested parties. Hence, proper EDM is very important for promoting fairness and order in the treatment of individuals and in the conduct of labour-management relations. Also proper EDM assists all the type of organizations to operate efficiently, effectively and productively.

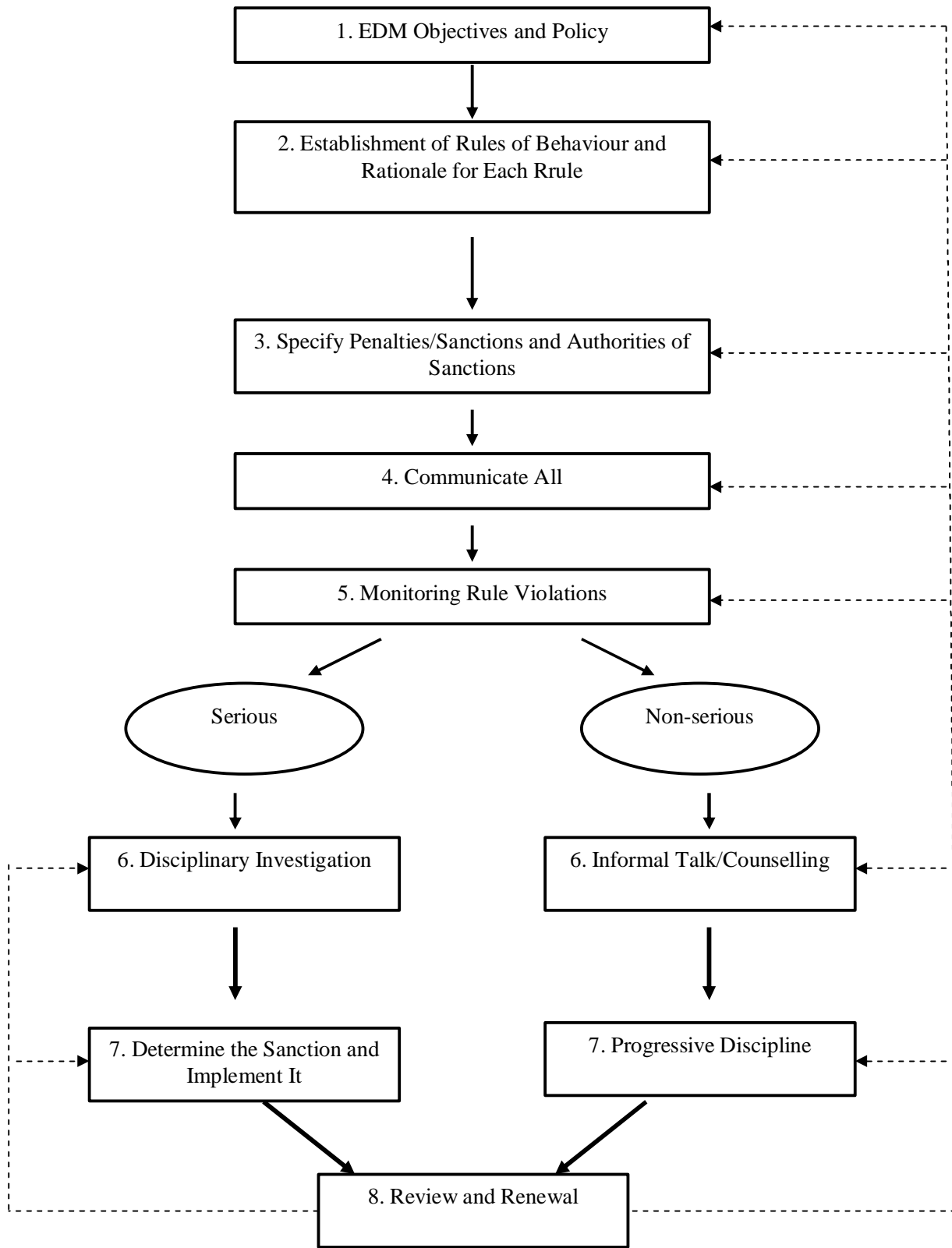
Discipline can be positively related to performance (Mathis and Jackson, 2000). Employees may resist unjustified discipline from a manager, but actions taken to maintain legitimate standards actually may reinforce productive group norms and result in increased performance and feelings of fairness. EDM that aims at attacking the employee's wrongful behaviour, not attacking him/her personally attempts to improve performance of the employee (Opatha and Mithani, 2000).

A Framework of EDM

EDM is perceived as a systematic process that involves a series of steps to be followed (Opatha, 2002). The process is depicted in Figure 18-1. As shown in the Figure, there are basically eight steps in the process of EDM. First, what objectives to be achieved through EDM should be determined along with a clear policy statement. As the second step, rules of behaviour every employee should adhere to must be established. Also rationale for each rule should be stated. Third step involves specifying penalties for rule violations and authorities who may impose these penalties to the employees who have violated the rules. Fourth step is communicating all. This means making all employees aware and understood about EDM objectives, policy, rules, their rationales, penalties and authorities of penalties.

Having communicated all, the next step, i.e. fifth step has to be carried out. This step involves observing whether actual behaviour of employees is in compliance with expected/desired behaviour of employees and receiving any deviations (rule violations). Rule violations may be serious or non-serious. If the rule violation is a serious one, the next step is to conduct a disciplinary investigation in order to determine whether the rule violation is true or not and causal factors of the rule violation. If the rule violation is true, then next step, i.e., seventh step is to determine an appropriate penalty or sanction and to implement it. On the other hand, if the rule violation is a non-serious one, the sixth step is to hold an informal talk or counselling. If the same rule violation, after counselling, continues, the seventh step is to apply progressive discipline that is penalizing the rule violator in an increasing way in terms of the severity. The final step of the process of EDM is review and renewal. Once rules and other disciplinary programmes are developed they may not be possible to use forever. Rules, reasons behind them, sanctions, sanction authorities, domestic disciplinary investigation procedure etc may change due to various changes, which occur within the organization and the organization environment as well. Thus, there is a need for review and renewal. A proper review will lead to improve EDM through the feedback.

Figure 18-1 Suggested Framework of Employee Discipline Management (EDM)



EDM Objectives and Disciplinary Policy

The first step of the process of EDM is to establish objectives that EDM attempts to accomplish. EDM objectives refer to favourable targets or aims to be achieved in future in relation to managing employee discipline. Objectives are an integral part of any EDM programme. EDM should focus on achieving following objectives:

1. To develop self-control among all the employees.
2. To encourage employees to meet established rules of behaviour.
3. To protect the organization from illegal and harmful actions of employees.
4. To protect the life of an employee from illegal and harmful actions of another employee or a group of other employees.
5. To ensure peaceful and orderly working environment for the achievement of organizational goals and objectives.
6. To promote fairness and order in the treatment of employees and in the conduct of industrial relations.

Disciplinary Policy involves clear general guidelines to be followed by managers in managing employee discipline. The objective of the disciplinary policy is to set the organizational climate within which disciplinary matters will be determined (Salamon, 1987). In formulating a disciplinary policy, the objectives of EDM, the role expected of managers in all levels, and philosophy of discipline need to be considered. Exhibit 18-1 gives a typical disciplinary policy.

Rules of Behaviour

As defined earlier, *rules are official instructions in respect of what employees must and are allowed to do and what they are not allowed to do*. In an organization, rules serve about the same purpose that laws do in society and disciplining is called for when one of these rules is violated (Dessler, 1984). A set of clear rules is an integral part of a fair and just disciplinary system. Rules should be established in line with the organizations' goals or objectives and these work rules should become the basis for disciplinary actions when the rules are broken (Wray et al, 1996). For every disciplinary action, there must be a clear case of violation of a certain rule.

When developing rules the top management and the human resource department (if any) should play a significant role. However, it is better to allow workers or their representatives (if there is a union) to participate in establishing rules, particularly revising existing rules. Wray et al (1996) suggest that the rules should not be established by management only and employees should have an opportunity for input to ensure that rules are fair and can be followed by the workers.

Exhibit 18-1 A Typical Disciplinary Policy

Renu and Nilanthi Company Ltd.

Disciplinary Policy

The company believes in that employee discipline is a must for well-being of the company as well as each employee. Always the company encourages self-discipline, which is the ability of an employee to control himself/herself and make himself /herself behave in the desired way without needing anyone else to tell himself/herself how to behave.

- It is the responsibility of management to communicate all the rules of behaviour to all employees of the company.
- It is the employee's responsibility to ensure that he/she adheres to all these rules.
- Except serious offences in the first place, management will seek to remedy an employee's wrongful behaviour through informal talk by his/her immediate superior.
- After the informal talk/counselling, if the employee continues rule violation, management will have to take disciplinary action(s) to stop the rule violation(s).
- Management does accept that no disciplinary action is taken against an employee without a sufficient and fair investigation.
- The company believes in that severity of a disciplinary action is equal to the gravity of the offence and discipline does not discriminate any person, i.e., whoever violates a rule she/he will be punished.
- Management will act consistently and fairly and also condemn acts of misconduct/rule violation not the person who commits such acts when administering discipline.

Rules should directly or indirectly contribute to organization productivity and then to accomplishment of organisation's goals or objectives. In other words, violation of a rule should have an indirect or direct impact on the accomplishment of organizations' goals. For example, the violation of the rule that employees can take 15-minute break in the morning and in the afternoon will hinder the productivity directly and consequently the achievement of the goals of the organization. To establish rules, which are in line with the organisation's goals and which contribute to accomplish those goals should be a principle.

Ivancevich (1998) classifies behaviour rules into two major categories such as rules directly related to productivity and rules indirectly related to productivity. Examples of employee behaviour rules have been given in Exhibit 18-2.

Exhibit 18-2 Examples of Employee Behaviour Rules

1. Rules Directly Related to Productivity
 - A. Time rules
 1. Starting and late times
 2. Quitting time
 3. Maximum break and lunch times
 4. Maximum absenteeism
 - B. Prohibited - behaviour rules
 1. No sleeping on the job
 2. No leaving workplace without permission
 3. No drinking on the job
 4. No drug taking on the job
 5. Limited nonemployer activities during work hours.
 - C. Insubordination rules
 1. Penalties for refusal to obey supervisors
 2. Rules against slowdowns and sit-downs
 - D. Rules emphasizing laws
 1. Theft rules
 2. Falsification rules
 - E. Safety rules
 1. No smoking rules
 2. Safety regulations
 3. Sanitation requirements
 4. Rules prohibiting fighting
 5. Rules prohibiting dangerous weapons
- ii. Rules Indirectly Related to Productivity
 - A. Prevention of moonlighting
 - B. Prohibition of gambling
 - C. Prohibition of selling or soliciting at work
 - D. Clothing and uniform regulations
 - E. Rules about fraternization with other employees at work or off the job.

Source: Ivancevich (1998)

It is very important to state rules clearly in order to avoid misunderstandings and misperceptions as much as possible. Clearly stated rules can easily be understood by an average employee in the organization. Also they are easy for managers to communicate, train and implement.

It is further important to mention rationale or reason(s) behind every rule so that employees understand the importance of the rule. With the knowledge of the importance of the rule, it is more likely that the employee tends to accept adhering to the rule. The following Exhibit shows several typical rules and relevant reasons for each rule.

Exhibit 18-3 Several Typical Rules and Relevant Reasons behind Each

Rule 1: During the working hours or reporting for work being under the influence of liquor and/or drugs is strictly prohibited.

Reason: To be under the influence of liquor may cause damages to properties of the organisation and other employees, confrontations with other people at work, make wrong decisions and many other evil consequences.

Rule 2: Acts of violence, abusing or assaulting superiors, peers, subordinates, customers/clients are strictly not permitted within the organisation's premises at any time and at any place.

Reason: It is more likely that these acts cause serious physical and/or mental harms or even death (s).

Rule 3: To keep the work area free from clutter at every possible time.

Reason: Having work area free from clutter is important to prevent from possible accidents and resultant costs. Also it gives a good appearance/order.

Rule 4: Smoking in areas/places designated as "no smoking" is strictly prohibited.

Reason: It is because of the need to prevent from possible fire hazards as well as possible health hazards.

Rule 5: Every employee must not commit a wilful insubordination to any lawful and reasonable order of a superior.

Reason: Insubordination is not strictly permitted because it does undermine the orderly system of conduct and discipline within the organisation and hamper superior-subordinate relationship. Also insubordination likely causes to jeopardize results of the organisation.

All the rules are important as they directly or indirectly affect job effectiveness, organization productivity, efficiency and effectiveness. However, some rules become very important relatively. Adhering to some rules such as the ones numbered 1, 2 and 5 in the Exhibit are very important as their influences on organization productivity (relationship between inputs and outputs), efficiency (minimization of wastage) and effectiveness (attainment of objectives/goals) are relatively very high. Thus, those rules can be classified as very important rules of behaviour.

The rules numbered 3 and 4 are definitely important but may be considered as not very important as their influences on organization productivity, efficiency and effectiveness are relatively not very high (compared with rules numbered 1, 2, and 5). It is very important to mention that any rule is important though some rules may be very important (no single rule can be treated as unimportant). If there is a rule it is important!

Sound management requires that a reasonably comprehensive list of rules be adopted and reduced to writing (Beach, 1985). As it is not possible to formulate rules to cover

whole behaviour of every employee the listing does not become exhaustive, but it will become illustrative.

It is important to develop reasonable rules of behaviour. Organization climate conditions must be such that rules are capable of following. For example, assume that there are no meal room and dustbins facilities in the organization which wants employees to adhere to the rule that dropping litter around the working places and ways is prohibited. It is more likely that this rule is difficult to enforce owing to lack of meal room and dustbins facilities. To expect employees to adhere to this rule is not reasonable. Another example is that there is a rule that every factory worker should begin his/her work at 7.00 a.m. in an organization which does not provide any transport facilities and also public transport service is very poor. It is most likely that many workers who are not living near the factory are not be able to adhere to the rule even though they genuinely try to start the work at 7.00 a.m. Unreasonable rules tend to affect negatively the relationship between workers/unions and managers and also efficiency and productivity due to a large number of possible rule violations.

Penalties or Sanctions

Penalties or sanctions refer to actions that follow rule violations or infractions. Penalties are taken under Corrective Discipline (CD) that is one of the two basic types of employee discipline. CD is an action that follows a rule infraction seeking to discourage further infractions and ensuring future compliance with standards (Wherther and Davis, 1993). The objective of CD is that through penalties employees are discouraged to repeat violations of rules and they are encouraged to correct their future behaviour.

In CD, penalties (generally called punishments) have to be taken and these are called disciplinary actions in EDM. A disciplinary action may be an oral warning or may be a serious one such as termination of employment. According to Wherther and Davis (1989) there are three objectives of a disciplinary action.

1. To reform the offender.
2. To deter others from similar actions.
3. To make discipline effective.

Examination of the above objectives of a disciplinary action reveals that they are more positive rather than negative. Of course making a disciplinary action involves some sort of penalising the employee who has violated the rule or rules. The degree of penalising varies depending on the gravity of the offence mainly. Basically there are two approaches of penalising an offender. First one is negative approach whereby the offender is punished with the objectives of retaliation, dismay, shame or discredit.

Second approach of penalising an offender is the positive approach whereby the offender is punished with the objective of reformation. For effective EDM, use of positive approach is recommended as it has positive influences on labour management relationship, employee job satisfaction and productivity. It is a principle to penalise the employee who has done wrong in order to reform him/her, deter others from similar actions and make the rules effective. Also it is a principle to penalise the offender only for corrective purposes and never as a display of authority or personal power or hostility or retaliation.

Certain disciplinary actions are available under positive approach of penalizing an offender. They are as follows:

1. Oral warning
2. Written warning
3. Final written warning
4. Fining
5. Suspension of work for two days without pay
6. Suspension of work for four-days without pay
7. Suspension of work for one week without pay
8. Suspension of work for one month without pay
9. Stoppage of salary increment
10. Stoppage of applying for a promotion
11. Transfer to a difficult area/unpleasant work
12. Reduction of seniority
13. Demotion
14. Termination of employment /dismissal

The above list indicated possible disciplinary actions, which may be inflicted on the offenders. This is not a final and exhaustive list. There may be other kinds of disciplinary actions such as stoppage of incentives, deprivation of a welfare scheme etc. Some disciplinary actions are less severe than others. For example, written warning is less severe than fining. Oral warning is the least severe disciplinary action while dismissal is the most severe disciplinary action. Thus, the degree of severity of disciplinary actions varies.

A penalty/sanction/disciplinary action is inflicted due to a violation of any rule, which is an offence. Violation of a rule can alternatively be referred to as misconduct. Any infringement of rules and regulations would constitute misconduct, as long as it can be shown that the rule or regulation is reasonably necessary or even desirable for the effective management of the employees or the efficient operation of the organization or in the legitimate interests of the employer (Ayadurai, 1996).

It is possible to group grossly acts of misconduct or offences into two broad categories.

1. Serious offences (major acts of misconduct). E.g. insubordination, making serious damages to the firm, and attacking a superior.
2. Non-serious offences (minor or moderate acts of misconduct). E.g. coming to work late, going out while on duty without getting permission from the relevant superior, and doing personal work while on duty.

Serious offences involve violations of very important rules while non-serious offences involve violating of important rules. Penalties such as oral warning, written warning and suspension of work up to a period of one month without pay are generally inflicted for non-serious offences. For first offence of violation of an important rule, an oral warning may be assigned and when violation of the same rule becomes repeated penalties will become progressively severe (more details of progressive penalising are discussed later). Penalties such as suspension of work for more than one month without pay, demotion and dismissal are inflicted for serious offences. Violation of a very important rule may lead to a summary dismissal. A good organisation should specify penalties that may be inflicted for offences and indicate possible penalties that may be inflicted for non-serious offences and serious offences as well. This indication is not definitive and exhaustive but only illustrative.

Another important issue in EDM is to determine the authorities of penalties. Just like specifying what disciplinary actions may be taken against a rule violation it is important to specify which level of management has the authority (legitimate power) to decide the disciplinary action for a rule violation. Exhibit 18-4 indicates typical delegation of authority among different levels of management in respect of disciplinary actions.

Exhibit 18-4 Typical Delegation of Authority among Different Levels of Management Regarding Disciplinary Actions

Disciplinary Action	Management Level
1. Oral warning	Immediate superior of the offender
2. Written warning	-do-
3. Final written warning	Immediate superior and immediate superior's superior
4. Suspension of work without pay for up to one week	-do-
5. Suspension of work without pay for more than one week, stoppage of pay increment, and similar penalties.	Department Manager and Personnel/Human Resource Manager
6. Transfer, Demotion, and Dismissal	Personnel/Human Resource Manager and Top management

Delegation of authority about deciding disciplinary actions depends on the size of the organization and levels of management basically. For serious penalties, centralization of authority seems to be more appropriate while decentralization of authority seems to be more appropriate for non-serious penalties. One approach is use of a disciplinary committee or board to decide the disciplinary action(s) for a serious offence in order to get advantages of committee decision-making such as more information and knowledge, more courage to make a decision and more acceptance and commitment to the decision etc.

Another approach is that the chief executive decides penalties for managers, the Board of Directors decide in case of the chief executive and relevant managers in case of their subordinates.

Communication and Monitoring Rule Violations

Communicating all is the fourth step of the process of EDM. This step involves transmitting discipline information from management to all employees for the purpose of creating a right and adequate understanding in respect of employee discipline. For effective EDM, it is necessary to make all the employees including managers known about all the rules and reasons behind them. Unless employees are aware of the rules, they can hardly be expected to follow them (Ivancevich, 1992) Employees should be convinced that the rules are fair and related to employee productivity, efficiency and effectiveness. The following should be communicated to all employees in the organization:

1. EDM objectives
2. Disciplinary policy
3. All the rules
4. Reasons or rationales for all the rules
5. Penalties
6. Levels of Management having authority to decide disciplinary actions.

In addition to the above, information about the conduct of disciplinary investigations, disciplinary cases and results can be communicated to all employees (without revealing names of the offenders). Through communication employees are encouraged to follow rules so that infractions are prevented. Thus, this step is related to one major type of discipline proposed by Werther and Davis (1993), i.e., Preventive Discipline (PD).

PD involves activities carried out to encourage employees to adhere to organization rules in order to prevent from breaches of them. To encourage Self-discipline among each employee in the organization is the basic objective of PD. Employee self-discipline is the ability of an employee to control himself/herself and to make

himself/herself behave in the expected way without needing anyone else to tell him/her what to do (adapted from the definition of COLLINS Birmingham University English Language Dictionary). A self-disciplined employee has generally the following characteristics:

- Accepts the rules which happen to face
- Respects the rules
- Observes the rules by him/herself willingly
- Needs no another to direct or supervise him/her to adhere to rules
- Keeps on adhering to rules continuously.

If there is a Human Resource Department, it should play an important role in communicating all relevant disciplinary matters properly to every employee. If the organization is not having a Human Resource Department, the communication is the responsibility of the top management. Through workshops, booklets, employee bulletin boards, internal newspapers etc it is possible to communicate all including the rules to employees and encourage them to generate self-discipline.

It would be preferable if a copy of all relevant disciplinary matters including rules, together with needed explanations thereof, is included in the employee handbook that is to be given to each employee. When new employees are hired to fill job vacancies, they should be communicated or trained about self-discipline during induction programme.

Monitoring refers to assessing whether actual behaviour of employees in the organization is in compliance with the desired behaviour of employees, receiving any deviations or rule violations and determining whether these violations are serious or non-serious. Relevant management of the organization should be alert and should check whether undesirable employee behaviour occurs. There are several common sources that draw the attention of relevant management to the rule violations. Common sources are:

- Observation
When the manager observes his/her subordinates' behaviour, it is possible to come to know rule infractions done by subordinates.
- Complaints
Complaints may be made by any member of the organization against a person or a group of people about rule breaching behaviour.
- Grievances
Some employees may present rule-breaching behaviour in terms of verbal or written grievances.

- Difficulties

When difficulties arise and investigation may reveal certain behaviour as the cause (Ivancevich, 1992).

- Performance Evaluation

Violation of norms/standards of job performance usually may come to the attention of management through employee job performance evaluation as it measures job performance behaviour deficiencies.

Having come to know any rule violation, it is important for the relevant manager to decide whether the violation is serious or non-serious. If a very important rule has been violated it is a serious offence generally. If the rule violated is an important one (not very important) the offence is non-serious generally.

In fact it is not possible to classify offences as serious and non-serious exactly. The reason is that an offence classified generally as a non-serious offence might be a serious offence and also an offence generally classified as serious might be a non-serious one. Whether an offence is serious or not depends on several factors such as nature of the job, nature of place, loss involved and frequency.

1. Nature of Job

Generally sleeping on the job is regarded as a non-serious/minor offence. When compared with sleeping on the job committed by an office assistant, sleeping on the job committed by a security employee is likely regarded as a serious offence. The reason is that the latter's sleeping involves a possibility of incurring a greater loss to the organization.

2. Nature of Place

Generally smoking in a prohibited area is regarded as a non-serious offence. If an employee smokes in a highly inflammable area it is regarded as a serious offence, compared with a case where an employee smokes in a hardly inflammable area.

3. Loss involved

Generally stealing is regarded as a serious offence. Compared with a case where a supervisor steals a company asset valuing Rs. 1000000, stealing done by a worker valuing Rs. 1000 is likely to be non-serious.

4. Frequency

Generally tardiness (coming late for work) is regarded as a non-serious offence. If an employee comes to work late for first time it is a non-serious offence. However, if the employee comes to work late for the fourth time it becomes a serious offence. The higher the frequency the higher the seriousness is.

Consider job, place, loss involved and frequency in determining whether a rule violation is serious or non-serious. It is a principle to follow for an organisation. If the rule violation is serious, the next step is to conduct a disciplinary investigation in order to determine whether the rule violation is true or not and its causal factors in order to decide the penalty or penalties.

Disciplinary Investigation

When it happens or seems a case of serious rule violation it generally requires an investigation to determine whether there is a clear rule violation in fact. This investigation is called disciplinary investigation or domestic inquiry in EDM. A disciplinary investigation is a systematic and fair inquiry conducted by the organization in respect of a rule violation with the objective of determining whether the rule violator is guilty or not evidently. A disciplinary investigation involves the following steps when it is viewed as a process.

1. To do a preliminary investigation
2. To suspend the service pending enquiry, if necessary.
3. To issue a charge sheet.
4. To obtain letter of explanation and make decisions based on it.
5. To conduct a formal inquiry.

Each step is detailed below.

Preliminary Investigation

Allegations of wrong doing may come from any number of people such as an employee's superior, a colleague, a customer, or anybody with whom the employee comes into contact (Aminuddin, 1997). For the purpose of formalising this, it is possible to introduce a form, which may be called Rule Violation Report Form. A typical rule violation report form is given in Exhibit 18-5. When a particular employee or two employees or several employees is/are alleged to have broken a rule or rules (more serious), to do a preliminary investigation is a must. The objective of a preliminary investigation is to ascertain whether there is a sufficient amount of evidence to support the rule violation.

The top management or the Human Resource Director/Manager must appoint an experienced and qualified officer to do the preliminary investigation. The investigation officer has to explore, collect and record facts in respect of the following:

- What rule has been violated?
- Are there violations more than one rule? If so, what are they?
- When has the rule violation occurred?

- Where has it occurred? (To prepare a simple sketch map showing important places and the exact place of rule violation is suggested).
- Are there any witnesses?
- What are the statements of witnesses?

(To record witnesses' evidence in direct speech is suggested so as to avoid misinterpretations and confusions. Also it is important to get witnesses' signature on these statements.)

Exhibit 18-5 A Typical Rule Violation Report Form

ABC Company Ltd.
Rule Violation Report Form

Date :

Time:

To :(Name, Position, Department)

.....

From:(Name, Position, Department)

.....

Dear Sir / Madam,

Having known/seen actually I would like to report for your attention that

.....

(Name, position, department/ section/ unit) committed the following rule violations at about
.....a.m./p.m. (time) in/at(place of violation)
on(date).

Yours faithfully,
.....
Signature

The investigation officer should be required to submit his/her report within a short period of time, generally within one week. Having received the preliminary investigation report the top management/Human Resource Director/Manager must study it carefully and thoroughly in order to determine whether there is sufficient evidence that it is likely that the employee concerned is guilty of the rule violation. Otherwise, allegations will have to be ignored. If the evidence is sufficient to blame (to raise a clear case) against the violator(s), then the next step will have to be followed.

Suspension

Suspension will become needed if one or two or all of the following is/ are met.

- If the rule violation is serious
- If the suspected employee's presence at work will disturb the on-going investigation activities.
- If the suspected employee may be violent or threaten witnesses or change or hide or destroy relevant documents.

In case of a very serious rule violation, which leads to dismissal of the employee if proven, a need for immediate suspension of the suspected employee's service arises. An order of immediate suspension should be issued by the top management or the Human Resource Director/Manager on behalf of the top management. Generally the suspension period may be two weeks and it may go even up to the end of the disciplinary investigation.

It is important to decide, during the suspension period, whether the employee is paid with salary or not. Generally one third or half of the salary/wage is paid to the employee whose service is suspended if the rule violation is serious but not very serious leading to dismissal (if proven). If it is very serious leading to dismissal if proven (e.g. a theft of company's properties of Rs. 4000000), the management may decide not to pay at all or a low percentage of the salary / wage (e.g. 20%). A typical letter of suspension is given in Exhibit 18-6.

Exhibit 18-6 A Typical Letter of Order of Suspension

<p>ABC Company Ltd Order of Suspension</p>
<p>Date:.....</p>
<p>To:</p> <p>.....</p> <p>(Name, Position, Department/Section/Unit)</p>
<p>From</p> <p>.....</p> <p>(Name, Position, Department)</p>
<p>Dear Mr/Mrs/Miss,</p> <p>I am not pleased to inform you that it has been reported that you were alleged to have committed the following rule violation(s) at about(time) in/at (place) on(date):</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p>

Hereby you are informed that, in view of the seriousness of the violation(s) of the rule(s) the management has decided to suspend you pending inquiry since(date) until a formal letter is sent to you to report to the work. During the suspension period you will be paid a half/.... of the salary /wage being received by you. If the result of the inquiry does not establish a clear case against you, you will be reinstated with the full amount of salaries / wages so withheld.

During the suspension period, you are strongly reminded that you must make yourself available to assist the organization to perform its investigations, when you will be required to do so.

Yours faithfully,

Signature

The management should issue a letter of suspension to the employee who has violated the rule(s). This letter should be in a language that the relevant employee can understand. Also it should be very clear.

Charge Sheet

Third step of the process of disciplinary investigation is to issue a charge sheet to the accused employee by the relevant authority, usually the Human Resource Director/Manager on behalf of the top management. The charge sheet should

- be written.
- be clear and brief.
- describe the rule violations.
- indicate accusations for each rule violation.
- ask an explanation in writing for each rule violation within a stipulated time period.
- indicate how and to whom the letter of explanation should be sent.
- be sent to an accused who is on suspension through the registered post. Otherwise, be handed over to the employee. Signature of the accused should need to be obtained so as to ensure the receipt of the charge sheet by the accused in order to avoid a situation where the suspected denies the receipt of the charge sheet.
- indicate directly that if the employee fails to send the letter of explanation within the prescribed time, it will assume that he/she has no answer to give and is guilty of all the accusations.

Alternatively charge sheet may be called 'Show Cause Letter'. A typical charge sheet is shown in Exhibit 18-7.

Exhibit 18-7 A Typical Charge Sheet

ABC Company Ltd Charge sheet	
	Date :
To	
:	
(Name, Position, Department/Section/Unit)	
From	
:	
(Name, Position, Department)	
Dear Mr/Mrs/Miss,	
The preliminary investigation sufficiently reveals that you committed the following rule violations:	
1.	
2.	
3.	
4.	
(Name of rule violation, time of committing, place of violation and date)	
Thus, you are accused of every rule violation, as each is a misconduct/offence. Consequently you have(number of charges) charges for which you are required to answer in writing on or before(date). Your letter of explanation should reach to	
(Name, position, department).	
Also you are strongly reminded that in case you fail to give your explanation on or before.....(date) we assume that you have nothing to say and we decide to hold a formal inquiry.	
Yours faithfully,	
.....	
Signature	

Receipt of Letter of Explanation

Depending on the nature of the letter of explanation sent by the accused the management has to make decisions regarding the continuity of the investigation. There are five main possible natures of the letter of explanation.

1. The accused accepts that he/she is guilty of all the charges. The management should decide to stop further processing on the investigation and then should concentrate on deciding the penalty/penalties.
2. The accused denies all the charges with acceptable reasons. If defending reasons are acceptable the management should release him/her from all the charges and should declare so issuing a written letter to the accused. A statement of regret for the inconvenience occurred is to be included in this letter from the point of human relations.
3. The accused denies all the charges with unacceptable reasons. If defending reasons are unacceptable the management should proceed further. A formal inquiry will need to be held.
4. The accused accepts that he/she is guilty of some charges and denies other charges. If defending reasons for denying charges are acceptable, the management should release him/her from those charges and declare by sending a letter as recommended under 2. If defending reasons for denying charges are not acceptable, a formal inquiry will need to be held to determine whether the accused is guilty for those charges.
5. The accused does not reply. The management should send another copy of the charge sheet under the registered post if the accused is on suspension or otherwise (if the accused is working in the organization) hand over and get signature so as to ensure the receipt of the sheet. The second copy should contain an additional statement that if the employee fails to reply for the second time too the management will assume that the accused has no answers and will be treated as guilty of all the accusations in the charge sheet. As stated in the charge sheet, the management can decide that the accused is guilty of the charges and decide to hold a formal inquiry.

To hold a formal inquiry when the accused denies all or some of the charges with unacceptable reasons or does not reply the charge sheet for the second time is a principle for an organisation to follow.

Formal Inquiry

It is very important to appoint qualified managers in terms of education, experience, honesty, confidence and impartiality as inquiring officers. The most qualified person should be appointed as the chairperson of the panel. The role of the panel is to listen to the evidence presented by the management and to the defence made by the employee and decide whether the latter is indeed guilty of the charges against him/her (Aminuddin, 1997).

It is generally good to have the panel consisting of three persons, one qualified in Human Resource Management, one qualified in Law and the other qualified in General Management. If the organization is a medium size or small one two persons may be good. Inquiring officers should be unprejudiced and they should not be the same persons who carried out the preliminary investigation of the rule violation(s).

Fixing a date and a place suitable for the inquiry should be done. Also the accused should be informed about the inquiry and called for it. It is fair to allow the accused to bring a trade union representative if he/she belongs to any recognized union. It should be allowed for the accused to bring any relevant documents for his/her defence and any witnesses who are ready to give evidence on his/her behalf.

A notice of inquiry should be sent to the accused by registered post if he/she is on suspension. Otherwise having handed over the notice, signature of the accused should be obtained in order to justify that he/she received the notice of inquiry. A typical notice of formal inquiry is shown in Exhibit 18-8. If the accused did not attend the scheduled inquiry, another notice of inquiry will have to be sent. The second notice of inquiry should contain statements that this is the second notice of inquiry, and the date of the first notice of inquiry, and if the employee fails to attend the inquiry, it will be held ex-parte. When conducting the formal inquiry it is essential to follow some guidelines. Ad-hoc conduct or unsystematic conduct must be avoided.

When conducting the formal inquiry, following guidelines are useful:

1. Adhere to Natural Justice Law that implies that the management must act without bias and without vindictiveness and discipline the employees based on fair play. The basic principles of natural justice that are fundamental in any inquiry are (Kheng-Hor and Huan, 1992):
 - i. "No man shall be condemned unheard" meaning that the accused must be given a sufficient opportunity not only to know the case against him/her but also to answer it.
 - ii. "No person shall sit in judgement in his/her own cause or in any in which he/she is an interested party" meaning that the inquiry must be conducted by a person who is impartial and unbiased and is not

- directly concerned with or involved in the allegations against the accused.
2. The inquiry panel must start the formal inquiry with an "open-mind" i.e., no pre-conceived conclusions of the guilt or innocence of the accused. They must endeavour to establish the truth of the case.
 3. The inquiry panel should hear both sides, i.e. the case of rule violation presented by prosecuting officer and the case of defence by the accused or his/her representative.
 4. The investigation officer/prosecuting officer who represents the organization should be invited to present the case to the panel.
 5. If the accused needs to question the prosecuting officer or investigating officer with respect to anything of presentation, the inquiry panel must give an opportunity for that.
 6. The accused must be given every opportunity to speak in his/her own defence and also the opportunity to produce any witnesses.
 7. All witnesses who present on behalf of the organization must be called to the inquiry room one by one and allowed them to leave the room after testifying is over.
 8. The Chairman of the inquiry panel should test the relevancy of questions being asked and avoid incriminating questions unless they are essential to ask to clarify any doubts.
 9. Witnesses on behalf of the organization must be examined first.
 10. The accused must be given the opportunity to cross-examine the witnesses who present on behalf of the organization.
 11. The accused and his/her witnesses are to be examined and can also be cross-examined.
 12. The Chairman of the inquiry panel must make sure to keep verbatim notes of the proceedings.
 13. The inquiry panel must submit a clear report to the management who appointed the panel with the panel conclusion of whether the accused is guilty as charged or not. The question of punishment is not a matter for the inquiry panel. It is a matter for the management who appointed the panel.

14. If the accused absents himself/herself without notice or reasonable cause, the inquiry should be adjourned and he/she should be informed about this and the inquiry scheduled to be held for the second time.

15. If the accused absents himself/herself without acceptable reasons for the second time also, the inquiry should be held *exparte*.

Figure 18-8 A Typical Notice of Formal Inquiry

ABC Company Ltd Notice of Formal Inquiry	
	Date :
To :
	(Name, Position, Department/Section/Unit)
From :
	(Name, Position, Department)
Dear Mr/Mrs/Miss,	
As your letter of explanation dated is unacceptable, a formal inquiry into the charges will be held on (dates) at (time) in/at (venue) with the intention of providing you an opportunity to defend yourself. If you have a valid reason that prevents from attending the inquiry on the above-mentioned date and/or time you are immediately required to inform me so as to arrange for an alternate date and / or time.	
You are allowed to bring any relevant documents to the inquiry, a trade union representative (if you are a member of a recognised union) and any witnesses who can give evidence for your defence. If you bring any witnesses from the organization, please inform their details (name, position, department etc.) to me prior to the inquiry date so that I will be able to make necessary arrangements to allow them to participate in the inquiry.	
Yours faithfully,	
.....	
Signature	

Sanction Determination and Implementation

To determine a sanction/penalty/disciplinary action against the employee who was found to be guilty by the disciplinary investigation is another important step of the process of EDM. It is for top management in consultation with Human Resource Director/Manager to decide what penalty would be appropriate if the employee has been found guilty (Aminuddin, 1997).

The disciplinary action that is going to be taken against a particular offender should be fair. *The degree of disciplinary action should be equal to the degree of offence.* In other words, the gravity of the disciplinary action should be equal to the severity of the offence. When determining a disciplinary action against an offender it is important to consider following factors.

1. Nature of the offence.
2. Consequences of the offence, i.e. cost of the offence actually incurred and the cost that could have incurred.
3. Previous offences done by the employee.
4. Whether relevant rule or rules has/have been properly communicated.
5. Job performance records.
6. Special contributions made by the employee to the organization such as innovations, creative ideas, cost savings, fire preventions etc.
7. Whether there was any provocation.
8. Whether the offender was physically fit or not.
9. Previous disciplinary actions inflicted.
10. Past disciplinary actions inflicted by other organizations engaged in the same industry for similar rule violations.
11. Employee's length of service with the organization.

Having considered all of the above factors, the severity of the disciplinary action should be determined. It is very important to mention that whoever has violated clearly a rule and is found to be guilty by a disciplinary investigation, he/she should be given a sanction. It does not matter whether the employee is an excellent job performer or not. However, consideration of the above factors becomes needed in determining degree of severity of the sanction/disciplinary action.

When there is a clear case of rule violation by an employee a certain sanction has to be imposed on him/her. Consideration of the above mentioned factors does not apply to the question of whether punishing or not but it does apply to the question of what the degree or gravity of punishing is. The sanction should be reasonably related to the nature and costs of the offence, past history of the offender and other relevant conditions.

Types of sanctions/disciplinary actions were discussed in a previous section of the Chapter. In case of a very serious offence involving a lot of costs to the organization (financially and non-financially as well) a summary dismissal warrants. The following Exhibit indicates a typical letter of termination.

Exhibit 18-9 A Typical Letter of Termination

ABC Company Ltd Letter of Termination (After the judgement of the Inquiry Panel) Date :	
To	:
.....	
(Name, Position, Department/Section/Unit)	
From	:
.....	
(Name, Position, Department)	
Dear Mr/Mrs/Miss,	
With reference to the inquiry held on (date) at(place), having given you every opportunity to defend yourself, the inquiry panel has found that your explanations are not acceptable and satisfactory and hence you are guilty of the following charge(s):	
1.
2.
3.
According to the organization’s disciplinary system, your behaviour represents a very serious act of misconduct. Therefore with regret I have to inform you that the organization has no alternative other than terminating your employment with effect from(date).	
The organization will release all payments due to you after all legal obligations on either side have been met. Please surrender all properties belonging to the organization to the undersigned immediately.	
Yours faithfully,	
Signature On behalf of Disciplinary Board	

One common practice regarding the determination of disciplinary actions is the use of a board called Disciplinary Board. The board may consist of Managing Director, Human Resource Director/Manager and Legal Officer. In case of termination, it is advisable to send copies of the letter of termination to the relevant immediate superior of the employee, labour commissioner and the relevant union (if the employee is a member of a recognized union and either precedent or a provision of the collective agreement requires to do so) for the purpose of sanction implementation.

In case of sanctions other than termination (transfer, demotion, reduction of seniority etc.) it is important to prepare a letter of disciplinary action and send one copy to the relevant employee without delay. The letter should be very clear and also it must be in a language that the employee can best understand. This letter should be sent through registered post to an employee who is on interdiction. Otherwise it should be handed over and the signature of the employee indicating that he/she received the letter has to be obtained on a record.

No one likes to be treated worse than anyone else for the same rule violation. If the same rule has been violated by the two employees same penalty should be imposed on both of them provided that nature of the jobs, nature of the places, frequency of the violations, loss involved and other conditions do not differ. For example, two security guards who have the three years of service were found to be guilty of the rule violation – sleeping on the job at the main gate- for the second time. The manager gives one security guard with the punishment of suspension for two weeks without pay and the other with suspension for one week without pay. In this case example, there is no equal treatment. If there is no equal treatment many unfavourable consequences such as grievances, complaints, conflicts and disorders likely happen.

Informal Talk/Counselling

In case of a non-serious offence (violation of a rule that is not very important) for the first time (or may be up to second time), a counselling approach is recommended instead of punitive approach. In simple counselling approach involves an informal talk. An informal talk with the offending employee will often correct many relatively minor violations (Catt and Miller, 1991). Some example of minor violations/non-serious offences may include the following:

- Late attendance
- Failure to inform absence
- Failure to report minor accidents
- Loitering
- Failure to wear uniforms or safety equipment while on duty

- Disturbance to peers/co-employees
- Wearing of untidy or dirty uniforms/cloths whilst on job
- Discourtesy to the Public
- Smoking in a prohibited area
- Failure to maintain an important record.

Although the above examples seem to be non-serious they will become serious when they are repeated. For the first infraction or up to the second infraction, informal talk is suggested to apply. The purpose of informal talk is to get a commitment from the offender to correct his/her behaviour without using punitive discipline. During the informal talk no disciplinary action is taken against the employee who has violated the rule. The talk must be held in private in order to avoid interruptions and other embarrassments.

There are two approaches that manager can use for informal talk.

1. Sandwich Approach

This approach does not involve a discussion and it is more one-way communication. Sandwich approach refers to that a corrective comment is sandwiched between two positive comments in order to make the corrective comment more acceptable (Werther et al, 1985). The manager talks about the rule violation with positive comments to the offending employee and she/he listens. Use of this approach may be more appropriate for an employee whose job performance is well above average or excellent.

An example of Sandwich approach follows:

Mr. X is the Personnel Manager of Sri Lankan Garments Company and Mr. Y is a clerk in the Personnel Department. Mr. Y's work is almost perfect but he is observed to have come late from the lunch for two times. The Personnel Manager can have an informal talk whereby he can state:

"Your work is almost perfect (a positive comment) but your recent late return from lunch disrupts our department work (negative comment). Otherwise, your performance is the best in my department (positive comment)."

2. Participative/Direct Approach

This approach involves the following steps:

1. Manager informally invites the offending employee to talk about an important thing.
2. Manager informs the rule violation specifically with date, time, place etc.
3. Manager listens to version/response of the offending employee.
4. Both attempt to find out what is causing the problem of discipline.
5. Both discuss to find a solution and implement it.

An example of applying the participative approach is below. *Jeevani is a typist in the department and started her work in the last week. Based on her work within this limited period Mr. N, Manager of the department observed that she has worked diligently and her quality and quantity of work are good. For the first time, she was found to have left workplace during working hours without permission. She was away for about one hour.*

Step 1 : *Manager informally invites the offender to talk.*

"Hi, Jeevani, before you go home today I would like to talk with you about an important thing."

Step 2 : *"Hi, come Jeevani, please sit here. This is the important thing I want to talk with you. You have been working in my department in good way. I am very happy about your good job performance. But sad to say, I am not happy about one act you have done today. Leaving the work place during working hours without permission is prohibited. I think you know about it. During the induction day, I explained about discipline and gave you a copy of Employee Handbook."*

"Today, between 1.45 to 2.43 you were not in the department and you left without my permission. So you have violated an important company rule. Tell me why this happened."

Steps 3 & 4 : *"Sir, very sorry Sir, I had to go out of the department because the one I am going to marry came to see me."*

"O.K. Because of your fiancé' you had to go out without permission. Do you accept that you have done a rule violation ?"

"Yes Sir"

"O.K. Also, do you understand why do you need to adhere to the rule?"

"m..m...." she was silent.

"About one hour you have not worked. So your productivity has gone down. So leaving the department hampers work, first your work, then the work of the department. Also, if others want to behave like this what will happen our productivity? Do you understand the reason behind that rule now?"

"Yes Sir."

Step 5 : *"O.K. let us try to find a solution for this. I want you not to violate this rule again. Can you suggest a solution?"*

"Sir, I will tell my fiancé not to come during working time."

"Good. It may be a good solution. But don't hurt him. Because he is your fiancé." You make him understand this. If you like, I can suggest, tell him to come on Saturday at 1.30 p.m. Then your working time is over. So both of you can go home together or any good place both wish to go."

*"Yes, Sir, Thank you very much Sir."
"O.K., Now you can go home. Bye. Take care."*

It is useful to follow the guidelines given below for informal talk:

1. Do not talk about punishment or warning as it is totally positive.
2. Talk with the employee about the rule violation in private.
3. Very few people can be objective and sensible when they are angry (Dessler, 1984), Hence, when the manager is angry because of the rule violation, it is not suggested to conduct an informal talk.
4. Before having an informal talk, the manager must get all the facts. Basing decisions on hearsay evidence, general impression about the employee, opinions and past behaviour must be avoided.
5. The manager should attack the wrongful act, not the person.
6. Using ambiguous statements (e.g. "your safety concern must improve") should be avoided. Be specific and clear e.g. "when you work in this room, you should always wear....."
7. As things are not always what they seem, the manager should listen to the version of the offending employee about the rule violation and reasons for it. There may not be a real violation or may be some factor or factors out of control of the employee.

Informal talk does not involve penalising the employee who was wrong. This informal talk may work well to correct the employee's future behaviour while the superior/manager can still remain on friendly terms with the employee.

Progressive Discipline

Progressive Discipline (PD) is a discipline program, which progresses from the least severe to the most severe in terms of disciplinary actions/penalties. A system of PD is a prerequisite to effective EDM. This involves stronger penalties for offences, which are repeated. The objective of PD is to give an opportunity to an offender to correct his/her behaviour before more severe penalties are inflicted (Werther and Davis, 1989). The following Exhibit shows a typical PD program.

Exhibit 18-10 A Typical Progressive Discipline Program

Rule : Every worker must not leave workplace during working time without permission of his/her superior in-charge.	
Time of Violation	Penalty
<i>First</i>	<i>Informal Talk</i>
Second	Verbal Warning
Third	Written Warning with a record in Personal File
Fourth	One week suspension from work without pay
Fifth	Suspension for one month without pay
Sixth	Demotion
Seventh	Dismissal

Informal talk is not under PD as it is not punitive at all. It is applied only for first rule violation of the Exhibit. Since second time of the violation, PD applies in this example. As PD provides an opportunity to employees to remedy their future behaviour it is a good approach to employee discipline, especially from human and industrial relations perspectives. Application of PD occurs as the rule violation is repeated after informal talk according to the process of EDM suggested in this Chapter by the author. It is recommended to apply a progressive discipline for non-serious offences that are repeated after the informal talks.

Under PD, if the rule violation is redone after the informal talk, oral/verbal warning is suggested. In order to implement this oral warning, a meeting called Discipline Meeting will have to be held. Discipline meeting refers to a face-to-face discussion between the manager and the employee who has violated the rule or rules. This involves punitive discipline in terms of oral warning. Discipline meeting is recommended due to the following reasons:

- i. It involves a face-to-face oral two-way communication that encourages and enhances the exchange of facts, feelings and thoughts.
- ii. It reminds the offending employee about the rule and the reason(s) behind the rule and hence makes him/her understand better the importance of the discipline.
- iii. It gives the offending employee to explain his/her story behind the rule violation.
- iv. It helps the manager to understand facts from the point of the employee.

Catt and Miller (1991) suggest the manager to observe the following guidelines when issuing an oral warning:

- Issue the warning as soon after the incident as possible when things are still fresh in everyone's mind.
- Focus on the facts; do not make personal comments. Avoid a remark such as, "you were really stupid to do something like that". Focus attention on what the employee did wrong.
- Indicate how much time the employee has to make the necessary improvement.
- Explain what will happen if the employee does not improve.
- Be brief and give it to the point.
- Record when the oral warning occurred, the reason for it, how the employee reacted, what the employee said, and the agreements made.

When warning employees, it is an appropriate time for the manager to be constructive, and to practice positive corrective discipline. For the meeting it is possible to use Behaviour Modification Approach to Discipline as suggested by Bittel and Newstrom (1990). Behaviour Modification Approach (BMA) involves a step-by-step procedure to be followed in practicing positive corrective discipline. It is based upon proven assumptions about what makes people most likely to respond constructively to criticism and requests for improvement (Bittel and Newstrom, 1990). Bittel and Newstrom (1990) suggest six steps to follow sequentially.

1. State the performance or disciplinary problem.
2. Ask the employee for his or her view of the problem.
3. Ask the employee for a solution to the problem.
4. Agree on a plan to solve the problem.
5. Give the employee an oral or written warning.
6. Set up a date for a review.

Under PD, if the violation is done again after the informal talk and discipline meeting, written warning is suggested. In order to implement this written warning, an interview called Discipline Interview will have to be held.

Discipline Interview refers to a face-to-face formal session between the manager and the offending employee and this represents a higher level of concern with a breach of rule(s). This interview implements corrective discipline in terms of written warning or other more severe penalty. When an employee re-violates a rule (a non-serious offence) after an oral warning given at a discipline meeting, it is appropriate to hold a discipline interview with a more severe penalty i.e., written warning. Even after written warning if this employee continues the violation holding discipline interviews for subsequent penalties (except the last penalty) under PD may be possible. It is

recommended for an organisation to follow the guidelines given below when holding a disciplinary interview.

Guidelines:

1. Summarise the rule violations with dates, times and places.
2. Remind clearly the efforts so far taken to correct his/her behaviour such as informal talk and discipline meeting to give the oral warning.
3. Explain the detrimental effect the rule violations have on the organization.
4. Explain what type of disciplinary action has been taken for this time and why.
5. Stress what will happen next if the offending employee does repeating the violation of the rule(s).
6. Make sure that the offending employee understands the letter of disciplinary action or letter of written warning.
7. Request the offending employee to acknowledge the warning letter by signing on the relevant part. If the employee refuses to sign, make a note of this refusal on the letter.
8. Give a copy of the written warning to the offending officer, put one in the employee's personal file and send another copy to the employee's trade union (if any).
9. Record all the important things happened during the interview in the Discipline Reference Book. Notes in the form of questions and answers and the final decision are to be recorded to show that inquiry was proper, and the decision arrived at was fair (Ayadurai, 1996).

Exhibit 18-11 shows a typical warning letter.

When discussing a disciplinary problem or administering a disciplinary action, it is important to emphasise on behaviour of the employee who has violated a rule or rules rather than personality. Always disciplinary action is an unpleasant experience for both manager and employee. The manager must explain the offender that disciplinary action is to condemn the wrongful behaviour but not to condemn him/her as a person. The objectives are to reform the offender, deter others from similar action and to make rules effective, but not to penalise for the sake of punishing or disgracing so that the manager might be able to still remain on friendly terms (at least indifferent terms) with the offender. Hence, it is to emphasize behaviour of the offender not his/her personality during the discipline meetings and interviews.

Exhibit 18-11 A Typical Warning Letter

ABC Company Ltd.
Warning Letter

Date :

To:
(Name, Position, Dept./Sect./Unit)

From:
(Name, Position, and Dept.)

Dear Mr/Mrs/Miss,

On(date) at (time) at/in(place) you have violated the following rule(s) for the third time:

1.
2.
3.

You have violated the same on (date) at (time) at/in.....(place) and on(date) at (time) at/in(place) for the second time. After the second violation, we had a formal meeting where you were given an oral warning on (date) in order to correct your behaviour.

Given the seriousness of the rule violation for the third time, it was decided to give this written warning with objectives that you will not repeat the violation(s) and improve your behaviour, to deter others from similar acts and to ensure orderly working environment for the accomplishment of the organisational goals.

Please note that if there will be any further repetition of the rule violation, there is no choice but to impose a more serious penalty on you. Thus, we hope you will correct your behaviour and will become a good disciplined member of our organization.

.....
Signature of Manager

.....
Signature of Human Resource
Manager

Having read and understood I hereby acknowledge this written warning by signing below.

.....
Signature of the Employee

Review and Renewal

Perfect disciplinary programmes will never be. Improvements can be made to any disciplinary programme. There may be shortcomings in formulation and implementation of programmes in respect of employee discipline. Hence is review and renewal. It is recommended to consider the following questions for the purpose of review and renewal of disciplinary programmes.

1. Were inflicted disciplinary actions implemented properly?
2. Were they accepted by the relevant offenders? If not why?
3. What are the problems being developed or developed due to disciplinary decisions?
4. Have the offenders appealed for the penalties?
5. What are the natures of these appeals (arguments against penalties, facts, justifications etc.)?
6. What are the attitudes of managers and non-managers including the offenders who have been penalised about rules, reasons behind rules, penalties and discipline administration?
7. Are there new rules to be formulated? Why?
8. Are there rules to be abolished or modified? Why?
9. What problems does disciplining give rise to?
10. What is going on in the outside world (in relation to EDM) that may suggest new approaches, procedures etc to improve current practices?

If the review brings about revisions or renewal of discipline programmes they should be done for more effective EDM.

Let me end this Chapter on EDM by mentioning more four principles to be followed for effective EDM.

Principle

To provide an opportunity of appeal and specify the appeal procedure to be followed.

To provide an opportunity to the offender to appeal against any disciplinary action imposed on him/her is a good management practice. There might be cases where first-line managers make wrong or more severe penalties. Thus a sufficient appeal hearing before higher level of management may satisfy all parties to the case that the offending employee has been disciplined.

The normal grievance settlement procedure can be used for the purpose of appeals or a special disciplinary appeal procedure can be developed and utilized. The special disciplinary appeal procedure should specify the following:

1. Time of lodging/bringing the appeal

A certain period of time (say, within seven days after informing the penalty to the relevant employee) within which the appeal must be lodged should be specified.

2. Authority

It should specify to whom the appeal should be submitted. The appeal should be heard by a level of management not involved in, and more senior to, the initial disciplinary action (Salamon, 1987).

3. Time of Hearing

It should specify a certain period of time (say, within two weeks after receiving the appeal) within which the appeal must be heard.

4. Participants

It should specify who participate in the appeal hearing. If the organization is unionised a union official may represent the employee. The manager who made the initial disciplinary action may be called to present his/her evidence. The manager hearing the appeal must have the authority to reach his/her own decision. He/She has to convince the manager who made the initial disciplinary action if the initial disciplinary action is wrong or more severe. Also he/she should inform the decision of the appeal hearing in writing to the relevant employee. Instead of the appointment of one manager to hear the appeal an appeal board consisting of several persons can be formed.

Principle

The manager himself/herself should set a good example of a self disciplined person.

Before disciplining others the manager or the person who goes to manage others' discipline should set a good example. What the manager preaches he/she should practice in reality. He/She should be a person of self-discipline. If the manager himself or herself breaks the rules it is hardly that subordinates observe rules.

Principle

Keep records properly regarding all decisions on disciplining employees and all relevant incidents regarding discipline.

It is essential to keep proper records by every manager regarding his/her decisions on disciplining subordinates as the burden of proof falls on him/her. Every manager is

supposed to prove that a certain rule was violated and that the disciplinary action was necessary. Therefore, sufficient efforts must be made to keep adequate valid records of rule violations (acts of misconduct), informal talks, discipline meetings, discipline interviews, oral warnings, written warnings and other penalties.

Clear and accurate justifications for all the disciplinary actions will have to be made before the employee. Also justifications may have to be made before union, legal officers, arbitrators and courts. It is suggested that every manager should maintain a book titled "Employee Discipline Administration" in which proper and accurate records/notes should be made in respect of every step of disciplining each of his/her subordinates. Records are to be kept in respect of appeals, their outcomes and any subsequent developments. Also the records should be protected and kept confidential. Use of computers in this regard is important in addition to hard records.

Principle

Follow the Hot Stove Rule on disciplining employees.

Administering discipline can be viewed as analogous to touching a hot stove (Robbins, 1982, p. 398 as in Opatha and Mithani, 2000). The *hot-stove rule* states that disciplinary action should have the same characteristics as the penalty a person receives from touching a hot stove and these characteristics are warning, immediacy, consistency and impersonality. The hot stove gives a warning that "*do not touch*" and "*if touched, the person who touched will get burnt*". Similarly the discipline gives a warning- "*don't violate any rule. If violated, the person who violated will be punished.*" The act of touching the hot stove has an immediate effect. The burning sensation is immediate. Similarly, punishing a person who has violated a certain rule should be immediate (without delay). In other words, there should not be a considerable time delay between the act of violating the rule and the act of punishing. When the things are fresh in the mind of the offender, he/she is to be punished. Effective discipline is immediate and the longer the time that transpires between the offense and the disciplinary action, the less effective the discipline will be (Mathis and Jackson, 2000). If a finger is used to touch the hot stove only that finger gets burnt. If the entire palm is used, the entire palm gets burnt. Thus, the degree of touching the hot stove is equalled to the degree of burning. Likewise, the degree of violating should be equalled to the degree of punishing. The greater the degree of violation the more severe will be the punishment. Whoever touches the hot stove he or she gets burnt. The burning power of the hot stove does not care for the classification, status, gender, etc. It is impersonal. Similarly, whoever violates a rule he or she should be punished. In the HRM system, this hot stove rule gives four principles for policy of discipline. These are:

1. Warning- the possibility of punishing
2. Disciplinary action is to be taken without delay.

3. The severity of disciplinary action should be equalled to the gravity of the offence.
4. Whoever violates the rule she or he should be penalised.

Summary

EDM is defined as the systematic process of controlling and influencing all the employees in the organization to achieve and maintain standards of behaviour (rules of behaviour) in order to achieve organizational goals and objectives. It involves regularisation of employees' behaviour in compliance with established rules in order to achieve desired goals of the organization. It is perceived as a systematic process involving eight steps to be followed in managing employee discipline in an organisation. Establishing and formulating EDM objectives and policies, establishing rules of behaviour and rationale for each of the rules, specifying penalties and authorities of penalties, communicating all to every employee, and monitoring rule violations are the steps from 1 to 5 respectively. The process shows two paths after the fifth step. If rule violations are serious, conducting disciplinary investigation is the sixth step. The seventh step is to determine the sanction/s and implement it/them. If rule violations are non-serious, conducting informal talk/counselling is the sixth step and applying progressive discipline is the seventh step. Final step, i.e. eighth step is to perform review and renewal. While these steps focus on many principles of EDM another four principles are mentioned in addition.

Review and Discussion Questions

1. Define what Employee Discipline Management means.
2. Explain the importance of sound employee discipline for an organisation.
3. Differentiate between Preventive Discipline and Corrective Discipline.
4. Discuss briefly the steps of the model of EDM.
5. What are the rules of behaviour? Classify rules of behaviour.
6. "No single rule can be treated as unimportant." Do you agree or not? Why?
7. "Penalising an offender is to be positive." What do you understand by this statement?
8. "To specify levels of management which have authority to take disciplinary actions for certain offences is a principle of EDM." Elaborate.
9. What is a Disciplinary Investigation? Describe the process of Disciplinary Investigation.
10. What is a Charge Sheet? Develop a hypothetical Charge Sheet.
11. What is Progressive Discipline? "It is a good approach for each rule violation." Do you agree or not? Why?
12. Differentiate between Sandwich Approach and Participative Approach.
13. Describe Behaviour Modification Approach to discipline with an example.
14. "To provide an opportunity of appeal is a good practice." Elaborate.

15. Describe how Hot Stove Rule can be utilized in EDM.

Case

Disciplinary Action

Sirisena Gamage had been working in Ajantha Glass Factory for more than 19 years. His service reports were excellent and there was no complaint or accusation against him so far. He was popular as a well-disciplined employee in the matter of observing company rules and regulations. He made his first mistake on 05th, October 1999. He did not hear the sound of the bell, which was used to restart the work because he had fallen asleep at tea-time near his machine. The main supervisor who was going by overseeing the work at the machine section noticed Sirisena sleeping. Sirisena who had slept during the time when the machine should be on operation was accused for an infraction of rules at the factory and had to face a disciplinary inquiry.

Sirisena admitted the fault. His defence was that he had fallen asleep as he was suffering from starvation without having the usual meal, i.e. rice for several days. Both the Personnel Manager and the supervisor decided to give the most lenient penalty. To suspend the work without pay for 5 days was the minimum lenient penalty given so far in the company for an employee who had been caught sleeping during the working time. The penalty was given to Sirisena by reducing it up to three (3) days.

But Sirisena's union does not accept this as a lenient penalty. "Is this a lenient penalty? Three days wage is a one tenth (1/10) of this man's monthly wage. What a lenient penalty you have given at a time of starvation!" Thus said the union regional secretary.

"In any other company this penalty is given for an offence done on two or three occasions. You have cut the wage for the first time." So saying, he further protested. According to the company's conventions, the management did not agree to reduce the penalty further. This problem was forwarded to an arbitrator accepted by the both parties according to the collective agreement between the union and management.

Questions:

1. Is it essential to punish Sirisena?
2. What is the central problem in this case?
3. If you are the arbitrator, how do you solve the central problem?

Acknowledgement: This case was translated and modified from the original case written in Sinhala by Bandarage, D.S. (1975), Management and Administration: Case Study Method, Colombo: Sudarshan Management and Industrial Consultants Ltd.

Critical Incident

Angry Driver

Mr. Gunadasa is a Van Driver who had been employed by a firm in the garment industry for over 7 years. No complaints were against this driver so far. The driver had to perform a duty of going and bringing packets of dinner before 7 p.m. for employees of the firm. One day the driver got delay to bring the packets of dinner. Consequently there was an argument between the driver and one of female employees. Driver had got really angry and scolded her in filthy way.

The incident happened between the driver and the female employee was reported to the Factory Manager who penalised the driver immediately by fining Rs. 1000 from his salary due for the month. The driver complained about the fine to his co-workers and with their backing decided to go and see the GM who had hired him for the firm.

Do you agree with the disciplinary action inflicted on the driver by the Factory Manager? Why? If you are the GM what do you do in this regard as short-term measures as well as long-term measures?

Skill Builder

Lankan Ltd is a public limited liability company that is mainly engaged in the business of Petroleum products. There are about 300 employees working for the company. Following is a part of the book of Employee Handbook of the company:
Some of the offences for which an employee is liable to be warned or fined are:

1. absence from work without reasonable excuse
2. late attendance at work without reasonable excuse
3. causing damage to, or causing the loss of, goods or articles belonging to the company such damage or loss being directly attributable to negligence, wilfulness or default of the employee
4. slackness or negligence at work
5. sleeping on duty
6. wilful failure on the part of the employee to comply with any order given to him/her
7. theft of goods or articles belonging to the company or fraud or dishonesty in connection with the company's business
8. being under the influence of liquor or any other narcotics
9. wilful insubordination or wilful breach of discipline
10. incivility to any member of the public who attends the company's premises
11. malingering
12. smoking in any part of the premises where smoking is prohibited

13. being found away from the work site without permission
14. distribution or exhibition inside the company's premises without the previous sanction, of hand-bills, pamphlets, or posters
15. interference with any safety devices installed in the company's premises

The maximum fine for any one offence will not exceed four day's pay. Fines imposed will be reviewed after six months by Fines Review Committee consisting of Heads of Departments. Recommendation may be made for the refund of the fine in full or in part depending on his/her performance, conduct, attendance, disciplinary action, if any, taken during the subsequent six months from the date of the fine.

An employee may be warned in writing for breach of any offence of the above. Such a warning shall be conveyed to the employee by a letter. The acknowledgement obtained from the employee concerned will be filed in his/her personal file.

You are required to: (a) examine the offences and other things carefully and rationally and find out seven weaknesses with reasons and (b) develop an improved version for this part of the book of the Employee Handbook.

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