

CHALLENGES FACED BY TRADE UNIONS IN THE MSME SECTOR OF WEST BENGAL: A SYSTEMATIC LITERATURE REVIEW

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In the present study, a review of the literature was conducted with the goal of exploring the key challenges facing trade unions in the MSME sector of West Bengal. As a result of the two-round review process, 158 out of 12,460 articles meeting the inclusion criteria were selected. The review has revealed six key challenges, including informal order of the labour force, insufficient regulatory support, employer resistance, financial issues, low worker literacy, use of the impact of globalization and technological advances, all of which are interrelated. As a result, the low level and effectiveness of unionization and collective bargaining activity. It can be therefore concluded that proper policy and awareness-raising efforts are expected to increase the power and efficiency of trade unions as well as foster sustainable industrial relations in the MSME sector.

Introduction

The global economic dynamics are in a process of transformation due to climate change, overpopulation, technological development, and changes in socio-economic systems. These major trends had an impact on the world's labour markets, and developing economies are no exception. MSMEs are the backbone of employment, income, and the industrial growth of Indian developing economy. The effect of the changes in the world economy is direct at the level of West Bengal's economic development due to the importance of MSMEs in local industry. West Bengal Trade Unions of MSMEs, an analysis of the situation inside the sphere where the pressure is high, and the forms of organizing the negotiation processes are complicated, have to face a set of challenges in their daily activities to ensure the protection of rights and decent level of functioning for the small and medium-sized businesses. The changes,

affecting the alternatives of the agricultural sector and rural employment are transiting in terms of mechanization, migration for work¹.

Methodology and Methods

This study adopted a systematic literature review (SLR) approach to identify, evaluate, and synthesize the existing body of research on the challenges faced by trade unions in the MSME (Micro, Small, and Medium Enterprises) sector in West Bengal. The review process followed the **PRISMA** (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) guidelines to ensure transparency, replicability, and rigor in literature selection and analysis.

Data Sources and Search Strategy

The literature search was conducted across major academic databases, including Scopus, Web of Science, Google Scholar, and ResearchGate, using a combination of keywords such as "trade union," "industrial relations," "MSME," "West Bengal," "labour rights," and "collective bargaining." To enhance comprehensiveness, additional materials were sourced from government and institutional reports (e.g., Ministry of MSME, Drishti IAS, IIFL Finance

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reports) and policy documents related to industrial labour in India.

Selection Process

A total of 12,460 records were initially identified. After the removal of duplicates, 10,895 articles were retained for screening based on title and abstract relevance.

Eligibility and Inclusion

Out of 933 full-text articles assessed, 775 were excluded due to reasons such as lack of methodological rigor, non-English language, or irrelevance to MSMEs or trade union issues. The final 158 studies were included in the qualitative synthesis.

Data Extraction and Analysis

Each selected study was analyzed for themes related to trade union challenges—such as representation issues, informal labour, policy implementation gaps, industrial relations climate, and post-pandemic employment changes. Data were coded and categorized thematically to derive patterns and conceptual linkages across the literature.

Result and Discussion

The synthesis of these studies reveals that trade unions in the MSME sector of West Bengal face multidimensional challenges—economic, institutional, technological, and socio-political. Informality and fragmented labour structures weaken collective identity², while inadequate legal frameworks and inconsistent policy enforcement exacerbate insecurity³. Political affiliations

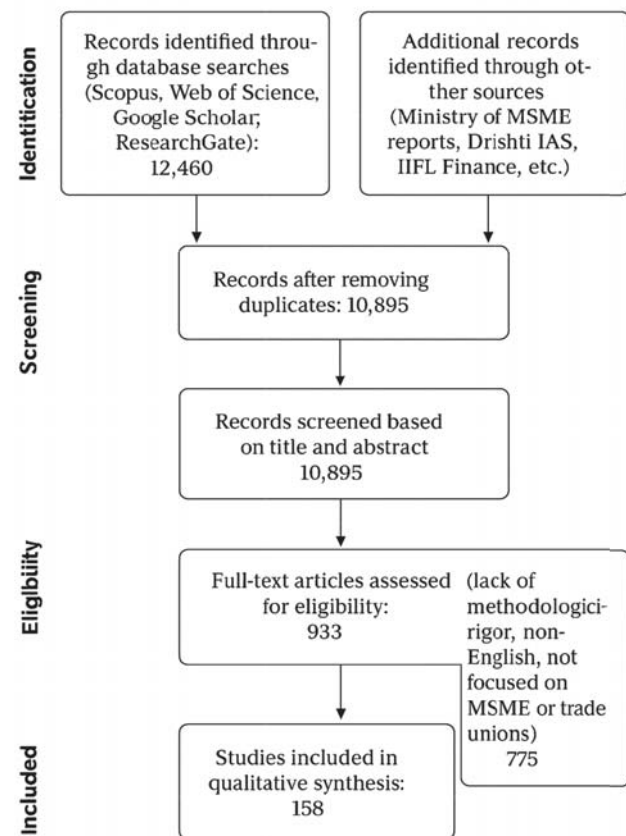


Fig. 1: PKSA ilaw diagram

often compromise independence⁴, and low worker awareness remains a persistent obstacle⁵. Emerging literature points toward digitalization and capacity-building as transformative avenues⁶, though financial constraints and gender exclusion persist⁷.

Table 1: Summary of Key Studies and Findings on Trade Union Challenges in MSME Sector (West Bengal and India)

Author(s) & Year	Focus of Study	Methodology	Key Findings / Challenges Identified	Relevance to MSME Trade Unions in West Bengal
Sarkar & Ghosh (2024)	Worker perception and awareness of trade unions	Mixed-method survey in Kolkata and Bardhaman	Majority unaware of union rights; 65% fear employer retaliation.	Indicates low awareness and job insecurity as deterrents to membership.
Banerjee & Dutta (2023)	Wage disparity and labour policy gaps in MSMEs	Policy review and field observation	Weak implementation of labour laws; inconsistent wage standards across enterprises.	Policy-level inconsistency limits union bargaining effectiveness.
Kundu & Sen (2023)	Post-COVID-19 employment shifts in MSME sector	Longitudinal survey (2020–2023)	Pandemic caused job losses, informal outsourcing, and weakened collective activity.	Demonstrates pandemic's long-term effects on worker organization.
ILO (2023)	Global labour relations in informal sectors	Global synthesis report	Trade unions struggle to organize in informal and gig economy sectors.	Aligns West Bengal MSME situation with broader global challenges.

Conclusion

The review concludes that trade unions in the MSME sector of West Bengal face systemic, economic, and structural challenges that hinder their effectiveness. Strengthening legal enforcement mechanisms, promoting worker education, and integrating digital tools for communication and mobilization are essential to enhance trade union functionality. Future policies must prioritize formalization of labour, inclusive union structures, and capacity-building initiatives to ensure equitable and sustainable industrial relations within the MSME ecosystem of West Bengal. □

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