

Title: Understanding the Management of Employment Relations

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Task 1 -

Industrial relations i.e. the relationship between employers and the collective workforce identifies a range of forces and processes that shape the important issue of work and its impact on all aspects of life (Colling and Terry, 2010). Industrial relations has been historically focused on the influence of trade unions in the workplace (a collective relationship). As trade union power has waned, industrial relations has evolved to cover the many ways in which employers create and sustain relationships with their employees both on a collective and individual level. As such, it is now defined as 'employee relations' and the rise of Human Resource Management (CIPD, 2018), which is characterised by a co-operative approach and trust-based relationships, is set against the modern backdrop of conflict and the reality of uncertainty (Taylor and Woodhams, 2016).

There are two differing approaches to how employee relations are shaped. They are the regulatory viewpoint and a relationship-based approach. Gennard and Judge (2010) identify the regulatory approach as being 'the purpose of employment relations is to establish rules, regulations and agreements to regulate the employment relations'. Contrast this with a CIPD (2015) viewpoint, which states that employee relations is not focused on 'collective machinery, but on individual relationships where there is an emphasis on trust-based relationships with employees'. Gill and Mayer (2013) sum this up as the twin approaches to competitive advantage; one through cost-saving via mechanistic job roles (workers as resources) and the other, gained by enhancing skills, employee engagement and voice.

An important element of the employer/employee relationship derives from industrial relations theory, this being 'indeterminacy'. Economic theory suggests that the employer/employee relationship is simply about money. A labour contract involves the exchange of money for the capacity to provide something desired by the purchaser, or to put it another way, an employee works for money and will work harder for more money (Taylor and Woodhams, 2016). However, it is rarely this simple and has been regarded as too simplistic a view. An employee works to earn money to look after themselves and their family, work often defines who we are and our role in society, the quality of that work affects emotional and physical well-being and skilled and productive workers are needed for the organisations and for wide societal goals (Colling and Terry, 2010).

So, in the workplace, employers wishing to secure the full value of their purchased labour power must ensure that workers are required or somehow willing to perform. As Leonardi (2008) states, this introduces an element of uncertainty and unpredictability into the relationship that can be difficult to control. This is what is meant by a contract between employer and employee as being indeterminate (Edwards, 2008). An individual's expectations and behaviour are shaped by what the job is, what it means, not only in pay,

but in control, rules and expectations. Obligations cannot be specified and a worker only provides an ability to work, rather than provide specific, concrete and predictable outcomes.

Two of the traditional approaches to employee relationships come from Fox (1966). Firstly, he described the role of managers and employees within a business and suggested a 'doctrine of common purpose and harmony of interests', or more commonly described as a unitarist relationship. Typically disagreements were minor and if they existed were caused by poor communication and overcome by a leader and managers via coercion, control and consent through the promotion of loyalty, morale and team spirit (Siebert et al, 2015). Fox (1996) believed this approach saw the organisation performing as one united team; everyone pulling together to pursue organisational goals. With little conflict, there is little need for discipline and grievance procedures (Taylor and Woodhams, 2016).

Alternatively Fox (1966) described a view of employer relations that seemed more relevant and realistic in that organisations were made of conflicting factions and interest groups. These individuals and groups wanted their own power to pursue their own aims, often at the expense of team harmony and the supposed pursuit of wider organisational goals. Fox called this a Pluralist approach. Organisations made up of a multitude of related but separate interests were the norm, with a prevalence of rival sources of leadership. These leaders aimed not to unify, bring together, or abolish the rival groups, but rather to control and balance these groups, accepting there was little common purpose, other than the survival of the business (Siebert et al, 2015). Within such a pluralist viewpoint, conflict is unavoidable and regarded as not only inevitable, but healthy. Interests, where they needed to be controlled was done by sharing power with workers (collective bargaining) where employees and trade unions would, in sentiment if not in fact, have some means of control.

Task 2 -

Taylor and Woodhams (2016) state there are three main parties involved in employee relations; management, employees and their representatives (unions) and the government. Each play a different role in the dynamics of employee relations contributing in overlapping but different ways.

Management has come to mean a variety of different things, but one of the most influential writers on management, Drucker (1973) identified that management had three main tasks, namely; determining the specific purpose of the business, make work productive and the worker achieve, and thirdly managing the social impacts of the business. Poole (1986) identified management as 'a coherent approach to motivating and controlling employees...handling grievances and relationships'. All aspects of which clearly impact on employment relations. The style of management too will influence the smoothness of employee relations. Dundon and Rollinson (2011) refer to a management style as not only

the managers preferred approach to handling employee relations, but they style reflects the way in which authority is exercised and decisions made. In a 2015 study Kilroy and Dundon identified three different types of managers/managers styles which suggested that the way managers interact with employees will vary and will impact on employment relations. The three styles are described below:

Type of Manager	Description
Organisational Leader	Implements HRM policy into practice selectively
Policy Enactor	Implements HRM policy in a rigid way
Employee Coach	Implements HRM policy into practice in a tailored way depending on the employee and/or the situation.

Source: Kilroy and Dundon (2015) taken from Taylor and Woodhams (2016).

As Taylor and Woodhams (2016) suggest, different styles elicit different responses from employees e.g. coaching impacts on commitment. They also argue management styles are and should be fluid within the organisation, depending on the situation. Management styles therefore have a big impact on employee relations.

The period defined as 'Industrial relations' saw trade unions having a powerful voice in the collective relationship between employers and their workforce. Trade unions represent the interests of their members; winning fairness, justice and equality for working people (Nowak, 2015); either done through individual or collective bargaining. Collectively, acting on the interests of all members, it is suggested by the trade unions, can exert more industry-level influence. This influence specifically involves trying to secure the best possible salaries for their members, proposing economic/wage regulations, agreeing workplace rules and procedures (such as those on working time and working conditions), addressing the causes of worker dissatisfaction and lobbying the organisation and governments on all of these issues (Machin and Wood, 2005).

Despite the decline in trade union membership (falling from a peak of 12 million, to around 7 million) trade unions are still an everyday reality for some organisations, especially within large manufacturing and the public sector (CIPD, 2018). Trade Unions have adopted and changed and extend beyond collective bargaining to include a focus on concerns at individual, industry national and trans-national levels. Trade union voice has needed to become more nuanced, extending beyond pay, to include grievances, health and safety, training and workplace learning (Wilkinson et al, 2014). Indeed, trade unions can be seen to have become more in-line with modern HRM practices.

Government has an influence on employee relations. Firstly in that it employs those in the public sector and secondly it provides and implements legislation, and through its

Government agencies such as ACAS and the Equality and Human Rights Commission (EHRC) advises and helps resolve employment relations problems (Taylor and Woodhams, 2016). In employing a large number of workers in local government and the NHS the government demonstrates its influence over policy and to provide good practice, especially in regards to employee relations. Traditionally this demonstrated the government as the 'model employer' as public sector jobs represented stability, high pay and benefits (Taylor and Woodhams, 2016). However, with recent 'austerity' and subsequent cutbacks, employee relations have been seen to suffer and the model employer role, called into question (Andrews and Ashworth, 2015).

Regulation represents an attempt by governments to influence and control practices such as opening markets and protecting employee rights (Andrews and Ashworth, 2016). As such, Government, as a legislator impacts employment and employee relations. This has been seen by recent labour Governments implementing a national minimum wage and widening access to work (Colling and Terry, 2010) through a variety of UK and EU legislation, which has impacted on areas such as reward and flexible working and brought into focus a more European dimension to employee relations through a strong welfare state and the partnership between government and workers. With such regulations in place, these need to be managed and a variety of Government agencies are in place to assist with this. ACAS exists to 'improve organisations and working life through better employment relations' and is a prime example of a Government agency impacting employee relations, through its dispute resolution services.

Task 3 –

Employee voice initially came to prominence in the 1970s through authors such as Hirschmann (1970) who saw it as a key part of trade union industrial relations where employees could change an objectionable state of affairs through petition to management or higher authority. Budd (2004) took it out of the declining trade union representation context and summed it up as 'providing workers as a group with a means of communicating with management... with the ability to have meaningful input into decisions'. Although there are different definitions, Wilkinson et al (2014) suggest the important commonality is that it is a voice, i.e. a verbal communication, constructive to management. The CIPD (2019) see there are two purposes for voice: firstly from the organisation's point of view as a tool for increasing employee engagement, where employees share suggestions upwards to improve the functioning of the organisation. Shipton et al (2017) outlined the positive benefits that voice can bring to the organisation through higher innovation, lower absenteeism and a more engaged workforce. Secondly, from the employees perspective as a social justice tool; where voice and self-determination are a right for all employees where employees not only

get to express concern, but to shape and exert influence over organisational aims (King and Land, 2018).

Employees can have their say through individual or collective channels, either directly to managers or via intermediaries. This can be done formally or informally. However, the right for employees to have a voice has been provided in law since 2005, with the introduction of the ICE Regulations (applying to organisations with 50 or more employees). Prior to this, employee voice practices were optional. Taylor and Woodhams (2016) see there are two key components to employee voice, namely employee participation and employee involvement.

Employee participation is defined as where employees participate in mediated, organisational decision-making through their representatives (CIPD, 2019). This includes collective representation, partnership schemes, joint consultation, employee forums and EWCs. Collective representation occurs where employee representatives (often, but not exclusively, union representatives) meet with senior management on issues such as pay, regulations and conditions of employment. This is very much consultative in nature, and is usually driven by a formal process.

Partnerships schemes approach participation via information sharing to problem-solve in a spirit of co-operation rather than an adversarial relationship. Joint Consultation exists to consider issues that are deemed to be of common interest or of key importance to employees and the employer. This can occur at non-union as well as unionised workplaces. Joint Consultation Committees (JCCs) exist in organisations to address issues that are not covered by union-led collective bargaining. JCCs consist of management and non-management representatives. In unionised organisations, the trade unions typically provide the employee representatives, but JCCs also run with non-union employee representatives (CIPD, 2019). Employee forums, which sees managers, employees and union/non-union representatives coming together for information sharing and consultation. Employee forums are formalised across EU-wide organisations via the establishment of European Works Councils (EWCs), discussing transnational issues.

In recent years, diminishing union memberships has shifted the form of voice from mediated employer/employee dialogue to direct and individual communications mechanisms, which can sit alongside unionised channels of employee voice (Wilkinson et al, 2014). This form of employee voice can be defined as employee involvement, where management introduces practices directly with employees, in order to gain co-operation and to draw out ideas and information to make changes to working practices (Taylor and Woodhams, 2016).

Employee involvement included formal and less formal forms of communication. Formal involvement, include mechanisms to share information and to gather feedback, such as attitude surveys (questionnaire-based surveys designed to gauge employees' experiences

and views on aspects of work), newsletters (a regular sharing of information with all staff) suggestion schemes (under which employees put ideas to management, who then reward those whose ideas are implemented) and problem-solving groups (which tend to be ad-hoc arrangements). Employee Involvement would also include regular face-to-face discussions between managers and staff for whom they have responsibility; for example, through scheduled meetings every few weeks for example. Despite the non-programmed nature of these communication methods, and without formal union involvement, Marchington and Suter (2013) believe these methods can be consultative and provides employees with substantial input.

Technology too is enabling new ways for people to have a voice at work; this has introduced less formal means of communication. Some employers have embraced social media but setting up enterprise-wide social networks (ESNs) as a platform for workers to express their views, not only to managers, but importantly amongst their fellow employees.

Task 4

If we accept the pluralist view of employee relations, then we also accept that conflict in the workplace is inevitable. What becomes important is how conflict is managed, which is regarded as a key challenge for all organisations (Ridley-Duff and Bennett, 2011). Conflict takes many forms, 'it may be that two workers simply don't get on; or that an individual has a grievance against their manager...it may take the form of rivalry between teams; or it may be apparent by the lack of trust and cooperation between large groups of employees and management' (ACAS, 2019).

There is however, a difference between organised conflict and unorganised conflict. Organised conflict usually occurs as a result of changes to terms of work, roles and responsibilities, without the employees' prior knowledge. This can lead to the employees feeling aggrieved and thus be in conflict with managers (Bennett, 2013). A unionised response would be either official (balloted action) or unofficial (i.e. not formally approved by the union) and result in collective industrial action i.e. striking, protesting, boycotting, working-to-rule and introducing go slows and overtime bans (Taylor and Woodhams, 2016).

Unorganised conflict can be called 'misbehaviours' (Taylor and Woodhams, 2016) which can occur on a collective basis, but more usually on an individual level. Employees are expected to follow certain rules at work, sometimes however, these expectations are not met. As Giacalone and Greenberg (1997) suggest, workers do things that are inconsistent with organisational norms and practices; they do things they are not supposed to do at work. When this happens, they can be said to have misbehaved (Ackroyd and Thompson, 1999). Such misbehaviour, bringing about conflict in the workplace, can result in personal grievances, absence, resignations and complaints to employment tribunals.

Conflict is often about different perspectives and if both parties can be assisted to better understand the other's perspective, this can result in conflict resolution (Bennett, 2013). There are many ways of resolving a conflict. Whilst formal procedures have an important role to play in the workplace, many disputes could potentially be settled without the need to pursue a formal grievance procedure. This could include unionised joint consultation and early and voluntary compromises, on-going discussions and problem-solving between employees and employers (Hann et al, 2016). However, as the CIPD (2019a) suggest managers need support, training and should follow codes of conduct to ensure success.

Ury et al (1993) suggested that dispute resolution is deemed as most effective when it offers low transactional costs, high satisfaction with outcomes, and limited chances of the dispute re-occurring. CIPD (2019a) research also shows that workplace conflict is most likely to be resolved when direct action, either informal or formal, is taken, and argue that once formal procedures have been triggered, differences become more adversarial, thus increasing the conflict.

In some cases, it may be most appropriate to go straight to a formal disciplinary procedure. However, it is noted by authors such as Hann et al (2016) that rising employment tribunal figures suggest there is an overreliance on formal institutions to determine who is right or wrong in the workplace. Before this last resort is taken, management might agree to approach ACAS to resolve the dispute using either mediation, conciliation or arbitration.

Mediation is the most common form of conflict resolution and involves a neutral third party bringing two sides together with the aim of reaching a mutual agreement (CIPD, 2013). Mediation is not prescriptive; it is informal and can be entered into voluntarily. Mediation helps the parties involved to make progress in resolving their differences by looking to restore relationships and develop sustainable outcomes (Hann et al, 2016). A mediator does not make judgments or determine outcomes. (ACAS, 2019). Mediation can make parties less rather than more entrenched in their views and more open to compromise; it can maintain and improve relationships, can be less stressful for those involved and avoids the costs involved in defending employment tribunal claims (CIPD, 2019b).

Conciliation is carried out by third party, most usually, ACAS, who acts as a go-between. Importantly again, the Conciliator does not make recommendations. For example, if someone is made redundant they could apply to the Employment Tribunal, but settle before a hearing date via an ACAS conciliation service.

Arbitration is a confidential process of settling disputes by getting an independent third party to review each parties' point of view, discuss the negotiating stances of the disagreeing parties and make a recommendation on the terms of settlement which is binding on both parties (ACAS, 2019). If for example an employee believes they have been unfairly

dismissed, or that they have a complaint under the flexible working regulations, the complaint can be heard by the independent arbitrator, rather than going through an expensive legal process.

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