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Task 1

According to Gennard and Judge (2010 p.225), employee relations is regulatory focused. The purpose of employee relations is to “establish rules, regulations and agreements to regulate the employment relationship”. CIPD (2018) believe that employee relations is more relationship based where it is “focused both on individual and collective relationships in the organisation. It is about helping line managers establish a trusting relationship with employees”. There is an emphasis on employee involvement, commitment and engagement. These can improve business outcomes and make employees feel valued which has an overall impact on their wellbeing.

Employment relationships can be influenced by the following factors according to Ellis (2016):

- **External environments** - (PESTLE and SWOT). An example of this is when an organisation is struggling financially and as a result redundancies occurs. This can have an affect on morale in the organisation and the relationship the organisation has with its employees.
- **Power relations/shifting trends in labour markets** - The employer often has control. If the employer has a lot of power it can lead to unethical practice. An example of this is sports direct where they have a high employee turn over meaning that they don't see their employees valuable as they can replace them quickly (Goodley, 2016). Sometimes it can be the employee that has the power. Examples include taking an employer to employment tribunal if the organisation hasn't legally abided by the rules. Another example includes when there is a tight labour market and the organisation finds it hard to replace employees. Employees in this situation will have more power. The more valuable the employees the more power they have.
- **Legal framework** – As legislation changes, this can affect the employee relationship for instance changes in the equality act and minimum wage.
- **Contemporary employment relationships are characterised by uncertainty, conflict and cooperation** – It is unsure whether employee relations can go forward in a smooth manner as it is uncertain what is going to happen.

According to Ellis (2016 p.110) factors shaping labour markets and their implications for the employment relationship are:

1. **De- industrialisation and rise of the knowledge worker** –Nowadays there are more variety in the types of employment relations for instance, term time, full time, part time contracts. The management of employment relations has become more complex.
2. **Technological change and globalisation** – Increased size and scope of labour markets. Organisations need to consider global context for employment relations and scope for technology to enable/constrain.
3. **Demographic change** – Individuals are living and working longer. This means that employment relations is longer. This can result in the need for more training especially around technology for the more mature employees.

4. **Increased female participation** – There is now more demand for flexible working for instance working part time.
5. **Increased educational participation** – Individuals are now getting more qualified and educated at a higher level. There is now more of a diversity going to university and attaining a high level qualification.
6. **Decline of collective workplace institution** – There has been a shift from collective to individual employment relationship.
7. **Greater diversity in employment relationships and how we work** – There has been a rise in home working and flexible working practices.

Colling and Terry (2010) explains the indeterminate nature of employment relations. They explain that there are three aspects of employment relationship from an industrial relations perspective. **Indeterminacy** is where the labour contract “involves the exchange of money not for actual goods or services but for the capacity to provide something desired by the purchaser”. The worker here sells an ability to work, which is translated into labour.

Employment relationship is seen as **unequal**. Power varies over time (employees are easier to replace when unemployment increases, and harder when labour markets tighten) and between contexts (highly skilled staff are replaced less easily). The employment relationship is one which the employee is subjugated to the employer and consents to their control.

Employment relationship is seen as **dynamic** where it is driven forward by conflict and cooperation. Employers who use their power too hard can also result in workers using their power too hard for instance, refusing to work to a deadline. Instead of taking a coercive approach, there are incentives that can be used instead to cooperate with employees for instance promotion and encouragement. Employees don't act well to autocratic demands.

According to Fox (1996) there are two ways in which managers view their employees. The first way is through a unitarist relationship. This is where the “organisation and the employee unite and pull together behind the authority of the manager to pursue the organisations goals”. This approach is characterised by harmony, cooperation and a team ethic. It is about everyone going in the same direction, and doing things for the benefit of the organisation. From a unitary perspective, conflict is seen as “a negative outcome of poor communication, lack of openness and trust between people and the inability of managers to respond to the needs and aspirations of team members”. They therefore do not accept that conflict should exist. In contrast, a pluralist approach suggest that the organisation and the employees have both similar and different interests in the employee relationship. This can result in conflict and tension which must be managed for instance through a disciplinary procedure. Where this relationship is had, there tends to be more control in the organisation. Managers take the view that conflict will happen, and that conflict is a natural phenomenon. Pluralists claim that conflict often brings about necessary change in individual and organisational life (CIPD, 2018).

Task 2

The parties involved in employee relations are as follows. Each of the parties play a different role.

Employees and their representatives (trade unions) - According to Ellis (2016 p.105-106), trade unions are defined as “an organisation which consists of workers of one or more description and whose principal purpose include the regulations of relations between workers and employers”. Their role is to represent the interest of their members particularly in relation to their salaries. They agree workplace rules and procedures and seek to influence on a certain issue. They are there to make sure their members are being treated fairly and equal. They can represent on an individual basis or collectively. Collectively they have more of an influence. They aim to “enhance the non financial aspect of employment relationships such as working time and working conditions”. They rely on negotiation and consultation process. Trade Unions have decreased since 1980 with 12.6 million members to most recently 2014 with 6.4 million. Rose (2008) identifies the reason for the decline:

- Employer policies, often influenced by HRM have promoted the individualisation of employee relationships.
- Membership levels have fallen as unemployment rises.
- Legislation targeted at reducing the influence of trade unions has led to a decrease.
- The workplace has changed. Industries such as coalmining which union membership were high has now disappeared.

Trade unions however, continue to have a dominant role in public sector organisations in the UK.

Management – According to Ellis (2016 p.103) “management can be used to refer to a process, system of authority and a group of people”. These influence employee relations. “Management includes the organisation and delivery of people and work”. Management develop and administrate rules and they are a system of authority. Management can operate as a group or as individuals. Their aim is to enable a smooth running of the organisation. Different managers adopt a different style. The type of style adopted, may have an impact on how employees feel in the organisation and how they work. According to Ellis (2016, p.103) management style can be defined as “the approach adopted by managers in their interactions with employees”. According to Gennard et al (2016) there are five different management styles. These are ***authoritarian*** (manager dictates and controls all decisions), ***paternalistic*** (management will consult with employees and listen to their feedback and opinions), ***consultative*** (the manager will ask opinions from employees so that they feel included and valued but will make the final decision). The ***constitutional*** management style (where the manager follows formal proceedings closely) and the ***opportunist*** (where the manager places their own needs first and adopt whichever style will benefit them. They will take advantage of others to get what they want).

Kilroy and Dundon (2015) identify three different types or faces of front line managers. These are, organisational leader (implements HRM policy into practice selectively), policy enactor (implements HRM policy into practice in a rigid way) and employee coach

(implements HRM policy into practice in a tailored way depending on the employee/situation). Each management style has implications for employee outcomes. It is possible for managers to shift between different styles in the organisation.

The Government/employee relations agencies – According to Ellis (2016, p. 106-107) this includes “the current Conservative Government and Government Agencies such as advisory, conciliation, Acas and Equality and Human Rights Commission who implement the governments employee relations policies”. The Government has an impact on the management of employee relations through its role as being an employer in the public sector, as a legislator and through its agencies such as Acas. This focuses on improving the management of problematic areas of employee relationships. The Government is a major employer in the UK owing to the size of the public sector. The Government can influence policy and practice through the terms of its employee relationships. Traditionally, the Government were known as “model employer” where they demonstrated good practice in employee relations. During this time, public sector employee relationships were associated with high levels of job security, pay levels and pension schemes. Since, this has been challenged as different governments have provided different views of what it means to be a model employer. Since 1979, “Governments have wanted to increase the efficiency of the public sector and looked to the private sector for inspiration to guide their policies and practices”.

Task 3

Employee involvement and participation are forms of employee voice (Benson and Brown, 2010 p.83). Employee voice can be defined as “the means by which people communicate their views to their employer. It’s the main way employees can influence matters that affect them at work” (Ellis, 2016 p.114). Effective voice for employers can contribute towards productivity as people will feel valued that their voice is being heard, innovation and overall organisational improvement. For employees, it often results in increased job satisfaction as employees will feel valued and therefore happy in their job, greater influence and better opportunities for development (Ellis, 2016 p. 114).

There are two forms of employee voice. **Employee participation** is where employees participate in organisational decision making through their representatives as listed below (Ellis, 2016 p.114). Representative participation is where employee representatives meet managers on a regular basis. These include:

- *Collective representation* – This is where there are negotiations between management and employee representatives leading to joint regulation of pay and other conditions of employment. “These can be periodic in the case of pay, but continuous or ad hoc in the case of other matters, for instance grievances”.
- *Partnership schemes* – This is where employee representatives and employers have mutual issues that they want tackling in a spirit of co-operation.
- *Joint consultation committees (JCC)* – These exist in organisations to address issues that are not covered by collective bargaining. It consists of management/non-management representatives.
- *Employee forums* – employees meeting with management for consultation and information regarding the organisation.
- *European Works Councils (EWCs)* – employees in big multinational companies operating across Europe can ask for a EWC to be set up. This brings together senior managers and representatives of employees to discuss any transnational issues.

Direct participation according to CIPD (2015) is employees’ direct ability to influence decision-making without using representatives. This can consist of control over the way job tasks are carried out, or influence over organisational decisions.

Employee involvement according to CIPD (2017) is where “management introduces practices directly with employees in order to gain their ideas and cooperation”. Examples include, email communications, management briefings, newsletters, attitude surveys, digital media and suggestion schemes. Many of these mechanisms are formalised, but formal mechanisms can be a very effective form of voice, such as social media. Until 2005, the use of employee voice was optional. Now regulations are implemented which proved employees with a legal right to be informed and consulted about various employee matters. Employee voice both have advantages for the employer and the employee.

Benefits for the employer according to CIPD (2011) is:

- Can lead to high productivity as employees skills and knowledge is used.
- Employees feel valued.
- Organisation gains a positive reputation.
- Conflict is reduced.

Benefits for the employee according to CIPD (2011) is:

- Having more influence over their work.
- Higher job satisfaction.
- More opportunity to develop their skills.
- More job security.

Task 4

According to Bloisi (2007), conflict can be defined as “a disagreement between two or more parties”. Parties can consist of individuals, groups, departments, organisations and countries. It is important to understand and manage conflict in order to improve organisational performance. Managing conflict effectively can help organisations with new developments and create solutions for new threats and opportunities. It is also a way to improve organisational decision making and resource allocating. This will lead to the organisation being more effective (Kabanoff, 1991). Conflict doesn't have to be a negative thing. If employees aren't happy, they need to speak out. It is about resolving the issues as soon as possible to make people happy. Employers need to communicate with employees about any changes in the organisation. They need to do this at the beginning of the change process in order for employees to feel consulted and have their opinion. This will reduce conflict in the organisation.

According to Ellis (2016 p.116) there are different forms of conflict. Conflict can be organised for instance strikes, protests and boycotts, or unorganised (otherwise known as misbehaviour) such as theft, sabotage, absence and resignation. Organised conflict can be official if it has been organised by a trade union or unofficial if it has not been formally approved by a trade union. Conflict organised by trade unions are expected to be lawful through compliance with the legal framework. Unofficial organised conflict tends to be unlawful although frequently short term. Misbehaviour/ unorganised conflict can occur on an individual/collective basis. Conflict has traditionally been linked to strikes, however there has been a decline in strike activity in the UK. In contemporary organisations, conflict is more associated with individual than with collective forms for instance, grievances and complaints to employment tribunal.

Organisational based factors that prompt conflict are:

- Competition over scarce resources
- Uncertainty over responsibility
- Inter-dependence
- Reward systems that pit people against one another
- Power differentials

Interpersonal factors that prompt conflict are:

- Errors
- Faulty communication/lack of understanding
- Personal characteristics or traits

Acas stands for advisory, conciliation and arbitration service. “Acas provides free information and advice to employers and employees on workplace relations and employment law” (Acas, 2019). The Acas Code of Practice on disciplinary and grievance procedures gives guidance for handling issues in the workplace. Acas can assist organisations to resolve disputes/conflict through the use of arbitration, conciliation and mediation techniques.

There are simple steps employers can take to minimise conflict according to Acas (2019b). These are, making sure that managers are trained correctly to handle difficult conversations, encouraging opinions and recognise the importance of feelings. Employers need to listen to what people have to say and have a clear discipline, grievance and dispute procedure in place to deal with conflict. Employers can also contact Acas helpline for advice.

Arbitration is “an option for resolving disputes relating to unfair dismissal and flexible working by which an independent person evaluates the dispute and issues a binding decision”. The benefits to this is that arbitration is often faster than litigation in court and it can be cheaper and more flexible for businesses (Ellis, 2016). The parties involved in the dispute agree on the arbitrator making it someone that both sides have confidence in and making the process fair. The limitations is that if arbitration is binding, both sides give up their right to appeal. Also if the amount of money involved is modest, then the arbitrator’s fee may be more (Allen, 2018).

Conciliation attempts to “identify a mutually acceptable resolution to a dispute that has resulted or is likely to result in a claim to an employment tribunal” (Acas, 2010). “Conciliation gives people in workplace disputes the chance to settle them internally with the help of a freely provided independent third party”. The benefits of using early conciliation are that there’s a chance to resolve disputes. The disadvantage is that it might not be resolved and therefore it will be part of a legal process.

Mediation is “the same as conciliation except that the dispute has not resulted in an employment tribunal claim”. It can be defined as “a process which involves a neutral third party bringing two sides together with the aim of reaching a mutual agreement”. The advantage is that both parties can have the opportunity to hear each other in a non confrontational way, and the parties can have the opportunity to resolve their dispute. The limitations is that the dispute may not be resolved (Acas, 2019).

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