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Module Name: Understanding the management of employment relations

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1. Explain the concept of employment relations and what is meant by the term 'the indeterminate nature of employment relations'. Define and compare unitarist and pluralist approaches to employment relations.

Employment relations can be relationship based, focusing on putting people before strategy with the CIPD Factsheet (2018) defining it as: 'Focusing on both individual and collective relationships in the workplace, with an increasing emphasis on helping line managers establish trust-based relationships with employees. A positive climate of employee relations - with elevated levels of employee involvement, commitment, and engagement - can improve business outcomes as well as contribute to employees' well-being.' It can also be about rules and regularity focused with Gennard and Judge (2010: 225) defining the purpose of employment relations as 'establishing rules, regulations and agreements to regulate the employment relationship'. Regulation of the relationship is ensured in organisations via staff handbooks, policies, agreements, trade union representatives and employment law (Ellis, 2016, P100)

The nature of employment relations can be uncertain, ambiguous, and difficult to determine as the relationship between employer and employee are affected by constant internal and external changes such as shifting trends in labour markets for example CIPD (2013) Megatrends, the global pandemic such as Covid19, legal framework and technological change. It can therefore be difficult to create and maintain relationships when there are various levels of power, different parties, and different interests to consider, and employment relationships have no guarantee about their outcomes or duration. There will always be uncertainty, the need for corporation and the possibility of conflict (Ellis, 2016, P100).

There are different perspectives on employment relationships, according to Fox (1966) the unitarist approach is centred around teams who work in cooperation, harmony, unite and pull together behind the leadership and authority of the manager to pursue the organisations goals, an example of this is recently during the Covid19 pandemic, where many organisations have faced a loss of profit and employees have agreed to a percentage pay cut for a set amount of time to save cost and ensure the organisation survives. Conflict is usually absent in this approach. The pluralist approach is where organisations and workers have both similar and different interests and agendas in the employee relationship which can result in conflicts and tensions and therefore need to be managed for example through grievance and disciplinary procedures. An example

of this is within the manufacturing organisation I am employed by, which is unionised and pay increases are collectively agreed and pay scales are set. Conflict is inevitable in this approach which is why systems need to be in place to manage it. (Ellis, 2016, P100).

Alternative views on employment relationships include the economic view, focusing on the exchange of work for financial reward and the psychological contract based on perceptions and consisting of obligations which Guest and Conway (2002, P22) cited in Ellis (2016, P100) suggest that employees perceive that they have obligations to the organisation and that the organisation has obligations towards them. This view compromises financial and emotional aspects and fulfilment of these obligations leads to positive outcomes, whereas non fulfilment leads to negative consequences, for example during the Covid19 pandemic many leaders have learned to embrace humanity and support employees with increased interaction, connection and flexibility leading to more psychological safety and a stronger psychological contract (Caprino, 2020) whereas organisations and leaders who have not, have seen increases in turnover, sickness and absence.

50 years ago, business focus was on profits to shareholders, over time this profit only model is being rejected by the workforce and leaders who want to work for employers that share their values, an example of this is the business roundtable in America which is a group of 200 top US companies including Amazon who redefined its definition and purpose to include responsibility to consider not just their shareholders but all its stakeholders too. (Gatenby, 2021)

2. Explain the roles and typical approaches taken by the key parties in employment relations: trade unions, management, government and its employment relations agencies (such as ACAS)

The main parties involved in employee relationships are:

Management which refers to a process, a system of authority and/ or a group of people, which Gallup (2019) defines as the most crucial element to lead an organisation to success. Management is responsible for facilitating the smooth running of organisations by organisation and delivery of people and work and can be a system of authority, with the style it uses having an enormous impact on whether it creates and sustains effective employment relationships. The role of management in employee relations has increased in comparison to the other main party's government, and trade unions. Sisson (2010) cited in Ellis (2016) believes that since the 1980's, management have 'become the major force for change in the arrangements governing the employment relationship'. According to a Kirov and Dundon (2015) cited in Ellis (2016) study, a number of management styles have been produced which is the way in which they approach interactions with employees. These consist of the organisational leader who implements HRM policy into practice sensitively, policy enactor who implements HRM policy into practice in a rigid way, and employee coach who implements HRM policy into practice in a tailored way depending on the employee and/ or the situation.

Trade unions, defined as 'workers of one or more description and whose principal purposes include the regulation of relations between workers and employers' (Trade Unions and Labour Relations (Consolidation) Act 1992). Whose role is to represent the interests of their members in pursuit of democracy in the workplace. They aim to rebalance the distribution of power between management and employee in employee relationships and can represent their members interests individually or collectively but rely on the logic that they have more influence collectively (Ellis, 2016). Trade union membership has been in decline since 1979 as we've seen a reduction in public sector and greater outsourcing as this has led to a shift more towards private sector however in recent years membership is increasing slightly in the

private sector (CIPD, 2016) A recent example of employment relations with trade unions is the Deliveroo case, whereby a legal battle was won by the trade union for Deliveroo riders employment status and therefore gained the rights of workers. (Sky news, 2021)

The Government, which includes the current conservative government, government agencies such as Advisory, Conciliation and Arbitration Service (ACAS) and the equality and Human rights commission (EHRC) has a substantial impact on the management of employee relationships through its role as an employer in the public sector, legislator and the agencies that implement key employment relationship policies (Ellis, 2016) Examples of ways the government impact employment relations include the recent pandemic regulations imposed, taxes, inspection, funding and leading by example through employment in the public sector.

Employee relationships are also shaped and influenced by the legal Framework, designed to promote behaviours such as flexible working and to regulate management behaviour towards employees for example to protect from harassment. This has grown in the last 40 years and plays a key part in individual and collective employment relationships (Ellis, 2016) Legal framework includes employment contracts, a legally enforceable agreement covering express terms such as job title and rate of pay, and implied terms such as mutual trust. Common law whereby you see law developing through the courts, employment law such as The Equality act (2010) European Law such as the Working time regulations (1998) Codes of Practice which do not have legal status but provide guidance such as the ACAS code of practice on disciplinary and grievance procedures (ACAS, 2015). The legal framework is subject to change and developments such as the Agency workers regulations (2010). In 2018 the government published a 'Good work plan' which committed to increase the penalties for employers that repeatedly breach their employment law obligations giving tribunals power to impose a £20,000 penalty on employers losing cases. (CIPD, 2019) The good work plan (Croner, 2020) covers day one rights to SMTs, lowering information and consultation thresholds, holiday pay reference periods, scrapping of Swedish derogation contracts, providing key facts sheet to agency workers, enhanced redundancy protection, oversight of NDA use, tackling one sided flexibility and sexual harassment in the workplace.

3.Explain different models of employee representation, clarifying terms such as employee involvement; participation; partnership; information and consultation.

Employee voice is a key model of employee representation and problem resolution which according to Benson and Brown (2010) cited in Ellis (2016) provides employees with the opportunity to express their concerns and influence the actions of management. Historically these involved trade unions however due to declining representation there has been a growth in direct communication between employees and management collectively and individually. Employees are also using social activism to make their voice heard (Jo Faragher, 2016) recently staff at Wayfair staged a walkout over a disagreement in an order It provided to a detention centre near the US Mexico border, and a recent amazon annual shareholder meeting was gate crashed by employees demanding it took action on climate change.

The Information and Consultation of Employees (ICE) regulations (2004) provide employees with a legal right to voice. The two main forms of employee voice are employee participation where employees participate in organisational decision making through their representatives such as employee forums and employee involvement whereby practices are introduced directly by management to gain ideas and cooperation from employees (Ellis, 2016). Ensuring employee voice helps build open and trusting relationships between employers and employees which can lead to organisational success. (CIPD, 2021a)

According to Gennard et al (2016) management can seek to gain consent from their employees for their proposed actions based on commitment rather than control by introducing employee involvement initiatives. Employee involvement is directed at individual employees whereby management share ideas with employees to gain their views and therefore contribute to the decision-making process. Having a better rationale for the reason for decisions can help employees understand them and reduce resistance to change, as well as gain efficiency as employees know their work tasks and processes better than their managers and are therefore better placed to achieve superior performance. More active engagement will increase employee's performance and productivity and can make work more interesting and satisfying. The CIPD (2021a) refers to this as 'upward problem solving'. Managers can use techniques such as digital media, two-way communication and attitude surveys to tap directly into employee opinions and ideas to improve work processes.

Employee participation is where employees have a real say in the decision-making process across all levels of the organisation, through schemes whereby employee representatives meet managers on a regular basis. Participation is not direct through individual employees and managers but is mediated through representatives such as employee forums, European works councils, collective representation, and partnership schemes. Approaches include partnership schemes whereby employee representatives and managers commit to high information sharing and discuss issues and mutual gains and to cooperate with each other. Collective representation involves negotiations between employee representatives and senior managers leading to a joint regulation for example of conditions of employment and joint consultation of management and non-management representatives to discuss issues that are deemed to be of common interest or key importance. Employee forums are where groups of union or non-union employees meet with management to share information and consult. (CIPD,2021)

European Works Councils (EWCs). The EWC directive requires European level information and consultation systems to be set up in large multinational companies operating across Europe with more than 1000 employees in member states and employing more than 150 in each of two or more of these. The information and consultation (ICE) regulations (2004) place an obligation on employers of more than 50 employees to establish consultation mechanisms when requested to do so by employees. Employers must inform/consult representatives on business developments, employment trends and changes in work organisation or contractual regulations, including redundancies and business transfers. There must be a secret ballot to appoint one rep per 50 employees.

4. Explain different types of individual and collective conflict behaviour and some of the evolving approaches that can be used to manage these. Your response should include and distinguish between:

- conflict and misbehaviour
- official and unofficial industrial action
- third party conciliation, mediation and arbitration

Conflict is inevitable in the workplace and needs to be managed well by organisations. Furnham (2005) defines modern conflicts as the process which involves the perceptions, thoughts, feelings, and intentions of all participants. According to a survey by SHRM (2020) causes in the workplace can include personality differences, unmet needs, unclarified roles, workplace behaviours, a change such as a merger, acquisition or reduction and poor communication. Organisations need to train and develop employees on conversational

intelligence such as building rapport, emotional intelligence, listening well and managing differences so they can talk, work and deal with differences better to reach resolutions in a constructive way, admit their mistakes and discuss challenges openly. (Heal, 2018). The affects of conflict on an organisation can include absence, lack of motivation, resignation, stress, anxiety and depression, increase in cost to replace employees and output. (ACAS, 2021)

According to Ellis (2016) organised forms of conflict usually occur on a collaborative basis such as strikes, protests, demonstrations, boycotts, overtime bans. This type of conflict can be official if organised by the trade union and lawful through compliance with the legal framework outlined in TULRCA (1992) An example of this is when Unite union were negotiating a pay increase for Heathrow airport employees and could not come to an agreement, it planned a strike based on 88% of members being in agreement which resulted in 177 flights being cancelled (BBC,2019). Action which has not been formally approved by the union is unofficial and unlawful.

Unorganised conflict such as sabotage, absence and resignation is sometimes also classed as misbehaviour and can be on an individual or collective basis. Conflict is more associated with individuals than collectively and comes in the form of grievances, disciplinaries, absence, resignation and issues raised in employment tribunals. Organisations should seek to deal with conflicts positively and proactively in the early stages according to the CIPD (2021) by using alternative dispute resolution techniques with a win win approach such as mediation and neutral evaluation and following the ACAS advisory booklet on dealing with problems at work (ACAS,2021)

A grievance and disciplinary policy need to be in place to ensure challenges in the employee employer relationship are dealt with fairly and equally without the need for an employment tribunal. The ACAS code of practice: Disciplinary and Grievance procedures should be used, failure to do so can result in a reduction or uplift in compensation of 25%. A disciplinary process can be used for conduct and capability / performance issues. The grievance process is in place for employees to raise issues and problems, and ACAS recommends dealing with them informally if possible, however if they are not resolved this way it then needs to be dealt with formally. (CIPD,2021b)

If the conflict cannot be resolved internally organisations can use independent services such as ACAS to assist with resolving though use of the Arbitration, conciliation and mediation techniques. Arbitration is where an independent person evaluates the dispute and issues a binding decision on unfair dismissal and flexible working. Conciliation aims to come to a mutual resolution on a dispute that has / is likely to result in a claim at employment tribunal, if it has not resulted in an employment tribunal it is called mediation and more suited to conflicts such as breakdowns of relationships. There is an independent judicial body established to resolve disputes between employers and employees over employment rights called The Employment Tribunal, they will gather and review the information on the claim brought and decide on the outcome.

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