

Work organizations shifts in economic

[Business](#), [Organization](#)



Hollinshead et al (1999) mentioned that the increasing size and complexity of work organizations shifts in the power of relations within politics and industry, changes in social values, rising aspiration, weakening of traditional attitudes towards officially constituted governance. These are among the factors which are sometimes said to require managers to develop a new ideology and new sources of legislation if they are to maintain effective control.

Bennett(1995) adds that the best way to achieve consensus and long term stability in management / workers relations is for management to recognize conflicting interests , to negotiate compromises, and to balance the demands of various groups. Idea of pluralism basically recognises the different interests group working together for archiving theirgoals. While on the other hands Hollinshead et al (1999) further mentioned that pluralism assumes a roughly even balance of power between various interests groups. This fails to recognize that in many employee relations situation there is a dominant participant possessing the power to impose its will on the other side.

Radical(Marx): This approach condemns pluralism for incorporating labours into the capitalist system. It also examines the social structures and the causes of conflicts rather than measures for containing them. According to the Marx under capitalism the employee relation is founded upon inequality. Its does not believe in a consensus based upon shared interests. In employee relation this is represented by the opposing interests of labour and management. Conflict is there fore endemic in the workforce and is hidden only by active programmes of obscuring the realities of gross inequalities of power, control, and reward.

Government policies and HRM

Gennard and judge (2002) argued that the government's economic and legal policies have major implications for the outcome of employee relations activities. If economic policies are directed towards the creation of full employment and the maximizing of economic growth, this weakens the bargaining power of the employer relative to that of the employees. In an expanding economy the demand for labour services increases, causing the price of those labour services to rise. On the other hand if macro economic policies are directed at restraining economic growth the demand for labour services falls resulting perhaps in redundancies and rising unemployment. In such circumstances the balance of bargaining power of the employer is strengthened relative to that of the employees.

If government introduces legislation favourable to employer's interest for example by restricting the circumstances in which trade unions may instruct their members to undertake strike action without employers being able to seek redress through the court. In this sense the bargaining power of employers relative to employees is also strengthened. Similarly if government introduces legislation favourable to the interest of individual employees and trade unions the bargaining power of employees relative to employers is increased. The implementation of technologies also has impacts on the relative bargaining power of employees and employers.

Management styles

there are three major schools of thought about management styles, classical, human relation , and contingency each has got its own particular implication for the procedure of employees relations. The classical school has macro and micro dimensions. The leading writer on the latter micro dimensions of the classical approach was F. W. Taylor (1857-1917). According to Taylor managers should plan, standardise, direct, and closely supervise all the workers' efforts, leaving little discretion for individual operatives to exercise discretion. Job specification should be clear, simple, precise, and logical. As the application of scientific management methods was expected to raise workers incomes to high levels, its advocates did not believe there could be any fundamental conflicts of interests between management and labour.

The workers it was assumed would willingly accept the system. Workers are given the opportunity to earn high wages which are assumed to constitute the employee motivator. Taylor believed that management and labour would have to recognize the existence of common interests in achieving higher productivity, and thus not engaged in quarrels and industrial disputes over relative returns to capital and labour. While on the other hand there are many problems in this approach.

Bennett (1995) mentioned that in fact organized labour and many individual workers did not share this view and many serious industrial disputes followed introduction of Taylorism especially in Britain and USA. Traditional work organization practices where employees themselves determined how work should be completed were abandoned. Also Attention is focused on efficiency

at the workforce rather than at higher levels within organization. Bennett (1995) mentioned that at macro dimension of classical approach there is Formal rules and procedure and a tall hierarchy created by narrow spans of control.

Also a clear line of authority running from the top of the organization to its base, Unity of command and management decision based on the expert advice received. Employees of an organization of this classical approach are expected to adopt a passive attitude, to do as they are told and consciously to fit in with the system. Management seeks to provide security of employment which is a paternalistic way can improve employee relation. Organization charts, precise job description and formal rules regulation moreover can encourage parochial attitude among employees and discourage flexibility. Ritualistic work routines may be accepted by employees' representatives but the detailed minutiae of these routines can become ends in themselves and discourage workers from exercising initiatives and wanted to become fully involved in the work of the enterprise

Possibly the classic approach which is unitarist in perspective was suitable for the nineteenth and early twenty centuries but is not suitable for today complex and fast growing business world especially wherever interpersonal relation and possible conflicts of interest are involved. Human relations approach Bennett(1995) argued that by this approach organization should be constructed to accommodate the social and human needs of employees rather than expecting individuals to fit into a predetermined organization form. He further mentioned flexible organization structures with overlapping

responsibilities, employee participation in decision making, and joint determination by manager and subordinate of the later target.

The implication of the HR approach for employees relations are obvious worker participation in management decision, sound employee communication within enterprise, team work and so on. While on the other hand Bennett(1995) mentioned that this approach have been attacked for failing to recognized the inevitability of conflicts of interests in business affair and also overestimates the motivation, the desire to participate in decision making and the occupational self awareness of many employees. Also this approach has little concerned about the influence of trade unions on employee attitudes and behaviour.

Contingency approach This asserts that any attempt to apply exactly the same approached to the solution of all employees' relations problems regardless of the particular situation surrounding each issue is doomed to fail. Each set of circumstances is unique so that according to this approach need to be adjusted as situations change. Examples of factors that might underline specific employee's relations situation include the nature of the work undertaken by employees whether it is repetitive or interesting, skilled or unskilled. Whether employees have similar backgrounds, attitudes and abilities. Also the degree of confidence of the work force in management competence and concern for employee's welfare and technological environments. (Bennett1995)

While on the other hand Bennett (1995) also mentioned that a certain style is adopted in one situation but different styles in others management may

appear inconsistent in this approach. Also he mentioned that Individual managers may dislike altering their approaches and modes of behaviour as circumstances changes. Also sometime a technology or set of working conditions make its impossible to use something other than a single approach.

Employment Law and HRM

From recruitment to departure , every act of employer is measured against a particular legislative standard. (Gennard and Judge 2002. P 91) employment law has evolved a lot in last 40 years and today it covers almost every aspect of employment. It is very important for a HR practioner to have knowledge about the existing employment law as well as the proposed changes in law which might become an act of parliament in near future. There are many recent changes in employment law. Employment law 2002 and employee relations act of 2004. HR practionar should also be aware of equal opportunity and race relation act of 2000 as many law suites in recent history suggest that perhaps management did not had the idea of the implications of its action neither they were aware of different issues and legislation about equal opportunity.

Legislation have included the right to request flexible working from parents with young children, extended maternity and paternity provision, new anti-discrimination laws, working time regulation, disability discrimination act, sex discrimination act, race relation act, age discrimination act, equality regulation, statutory union recognition etc. There are two source of law one is legislation made by governing party. And legislation that's drive

from EU directives. It is important to understand this that UK parliament is the source of the law with which employment relation person has to be concerned even though the actual legislation might be directed by, or influenced by EU. (garrand and Judge 2002).

According to CIPD and Lovells survey report (June 2005) that majority of organization see employment law as making a positive contribution to employee relationship and increasing employees sense of fairness and trust in their employer. While on the other hand some employers have some concerns about these legislation issues. Also this survey report shows that most of the employers believe that these employment regulations have a positive impact in supporting their strategic HR and business goals. Also helps to reduce the number of employment tribunal claims also contribute to a reduction in the number of formal disciplinary and grievances cases.

But the other hand some organization believes that these legislation are unnecessary red tape. In my personal view these employment laws has certainly helped employees and employers both to actually understand their duties and role in an appropriate manner and these laws has also helped a lot to give every person a fair chance to progress. If we take example of the introduction of the right to request flexible working that majority of groups shows that this helps in improvement in staff retention, improved morale, reduction in cost and reduced employee absence.

All these changes in Law makes employee relations even more essential, Different organizations has different approach towards employee relations according to their situation and needs. There can not be one universal model

which describes good employee relations practices or strategy but there are certainly themes which can be incorporated with in a business strategy itself. As employee relations also has a strong business case good practices in employee relations can help organizations to work without conflict and they are also helpful in order to retention, job satisfaction, motivation and performance of employees. Good employee relation practices can also be used as a marketing idea, as it gives organization a better public image.

Employee relations is more sort of a philosophy rather than a management tool it is a matter of concern for any organization and if we are to manage people in a fair unbiased way we need to incorporate idea of employee relations into our management style. Organizations ultimately have the right of redundancies, dismissal and other procedures but all this should be done in a manner which is transparent and fair.

Employees perception of an organization has to be of a fair place to work where he/she gets the fair treatment. HRM becoming a employee advocate may not be a possibility in near future but by the advancement in technologies day to day HR work load is reduced, (though while using any technology we need to keep in mind the diversity issues as well. As most of the first generation HR Soft ware treated every one as same). Arguably HRM today can perform many tasks which was not possible few years ago and if HRM is to Evolve from traditional personal, to strategic business partner it has to be the effective voice for Human Resources in strategy making and governance, as well as on operational level HRM has to put the idea of employability into practice through training programs.

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