

Management employee relations

[Business](#), [Management](#)



In today's working environment, one of the most critical responsibilities that management holds is to ensure that employees' performance is both effectively and efficiently carried out to the best of their abilities (Bray, Deery, Walsh and Waring, 2005). Nowadays, there is the view that the practices and policies that management holds within organizations in Australia are used against the employees, for instance the decrease in wages and conditions, through means of the Government's Industrial Relations laws.

To explore this issue further, this essay will examine whether there is a link between HR strategies and practices and the Australian Industrial Relations legislation (work choices). In doing this, the link between ER regulation and HR policy and practices will be made by focusing on how HR strategies are formed and developed within organizations. Seeing that the HR strategies used, subsequently shape and form the working environment, this allows management to practice the types of employment relations that are promoted under work-choices, for example, AWAs and unfair dismissal rules, more closely or on the contrary to be driven away from them.

As concluded by Bray, Deery, Walsh & Waring (2005), Management implements different managerial strategies depending on the organization's labor market position, the skills and also the expectations of different groups of workers to control the working performance of employees. There are two strategies that were introduced by Friedman (1977b), which were used as a guide to employers and managing bodies of many organizations. The strategies that were implemented by Friedman included direct control and responsibility autonomy.

Direct control deals with non co-workers and mostly relies on management controlling their employees with tight supervision. Furthermore, employers seem to simply advocate on allowing for the decrease in employees say and discretion. Issues related to the strategy of direct control include numerical flexibility and minimal training and development programs for employees to participate in.

Responsibility autonomy, on the other hand, deals with co-workers. This strategy allows for workers to adapt to different situations as they change in ways that are relatively in favor of the organization by way of encouragement and support from managers. This can be seen as being somewhat opposite to direct control as employees are given authority and responsibility to make decisions by management. Matters concerning the strategy of responsibility autonomy include employment security, high wages and also having great opportunities for training and development.

Discussion

In Australia, political and economic developments internal to the country intermarried with globalization have resulted in deregulation of the previous institution-based system of IR (industrial relations). As a consequence, the labor force has now become more casualised, highly qualified and diverse than at any previous point in history of Australian industrial relations[1].

Amazing though, is that the strategies used by managing bodies to achieve their objectives differ throughout all organizations and these approaches, in turn, have an impact on organizational structures and the management of employees. Various approaches can be adopted to obtain a competitive

advantage in the marketplace (Boreham and Hall, 1996). Greater effort is devoted to performance and to explore new forms of supply work arrangements and furthermore increase adoption of computerized human resources management systems. In response to this, human resource practitioners have placed great emphasis on siding HR (Human Resource) strategy with corporate strategy at the same time devoting more effort to performance and exploration of new forms of flexible work arrangements.

A study conducted in 2005, (Barbara H. et al. 2005) to determine best employers in Australia indicated that best employing organizations had a typical characteristic of demonstrating high level of employee engagement and a powerful alignment of the workforce with the organization's brand and strategy. In addition, best employers were different with others in which they delivered on promises and contractual terms. Employees in such an organization with a strategy geared towards worker satisfaction showed higher level of satisfaction.

Hence a good organization strategy produces a better management and effective service delivery. Through this evolution, a perfect senior leadership/management is developed. In such cases employees may be willing to enter into workplace agreements without any undue pressure or duress. It is forthrightly imperative then that the most valuable weapon an industry can have is a strategy which ensures fairness in terms of bargaining grounds, arrangements on working conditions and the terms that rule the contract.

Effects of employers using governments to drive down employee wages and conditions

Employers have deeply taken advantage of the John Howard's AWA to throw a lethal poison in the industrial relations and end up undermining fundamental rights of the employee through destabilization of the bargaining power, cut-down on the employee wages, cut on work conditions and rid fairness and decency from the workplaces. With the outcry from the public, these policies do deserve nothing other than rejection, (also Verona Burgess, 8 April 2005).[2]

Another amazing issue is that through the adoption of the governments' strategies, the companies have gotten rid of collective bargaining or agreements, encouraged statutory individual contracts hence leading to unfair bargaining within the setup of the working environment. This of course discourages hard work and harmony at the workplace (Buchanan & Chris, June 2000). However, recent developments indicate possible abolishment of the Australian Workplace Agreements as they have been seen as an attempt to undermine the collective employee bargaining power, (Harley & McGraw 2003).

Donaldson, (2006), observes that workplace relations in Australia have tremendously changed over the past five years and he reiterates that this is due to political changes in administration. He notes that these changes led to sweeping away of government's workplace relations reforms. In the same light, changes to iniquitous dismissal laws could not pass but rather were blocked several times. In support of this, the research survey carried out by McGraw and Harley (2003) reveals a significant difference in IR-HR practice between overseas-owned workplaces and Australian based ones.

In order to strike a balance between IR strategy and other workplace policies, one powerful tool which is of strategic importance is effective management. Conversely, Australia is a highly competitive labor market and thus it should take organizations whatever cost to attract and retain highly valued employees. The surprise here is that there has been little achievement in aligning the HR strategies with workplace policies.

This is because while companies and business organizations will want to develop a strategy for building a combination of motivational factors to attract the best out of the market, impediments still hinder recognition of the importance IR strategies. Therefore substantial challenges still remain despite the fact that some achievements have been made. Major impediment is the dilemma which arises from the fact that it is the very organizations which apart from attracting the full potential of the workforce take advantage of existing government legislation to thwart the very goal they should be geared towards achieving- Dietz and Boselie, (2005).

Human Resource Management Practices in Australia

Because of the prevailing labor market issues in some parts of the economy in Australia, for example in the tourism industry, (Boon & Dietz 2005), which are prevalently affected by seasonal guest market thus creating quite conscious management strategies and high employee turnover due to casualization of employees to achieve flexibility and short term costs or even as a show of desperation. Some large organizations in Australia have found it a wise move to internationalize their employees by rotating them through their regional properties so that these employees are well exposed to various standards. This happens more so in the tourism and hospitality industry in

large hotel chains like Mandarin and Hilton- (also see Nankervis, Alan, 2000)
[3]

Point of Conflict between AWA and Industrial Relations Policies

Foremost to the point of discussion as we have seen above, AWAs are viewed by the Australian Union of Certified Agreements as effort to undermine the collective bargaining power of trade unions the concession for better pay and improved working conditions on behalf of their members, (Buchanan & Briggs, 6 June 2000)[4]. This is a critical point of divergence between the views of the two sides though some companies promise some extra consideration in terms of pay for employees who sign the AWA. While the companies do that, most unions caution their members against signing them. They maintain that though the employee might sign the Agreement, such ordinary worker has no (or little if any) bargaining power by herself or himself to effectively stage a bargain for the contract, hence there is intrinsically unequal grounds for the contract between the employer and employee.

Very important as well is that it is universally believed that AWAs try to entrench inequality between employees and their employers as far as working conditions and pay are concerned. This is criticized because the main aim of the commercial law and even common law is to provide forequalityof bargaining power and fairness. Therefore, it is thought, the AWAs are as good as abolished. At this point therefore AWAs tend to conflict with the commercial law and even common law of contracts. This is because its mode of operation neither goes in line with the expectations of the common law nor those of the commercial law.

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Sympathizers of AWAs contend that these agreements give flexibility to the employees and their employers when it reaches time to set wages, terms and conditions of work hence enabling them to agree on agreements which can suit their individual preferences and workplaces.

Conclusion

As much as AWAs may provide the flexibility to the employer and the employee when setting the agreements on contracts or terms and conditions, there is still inconsistency with the common law and also with employer HRM strategy and practice which provide basis for fair and level bargaining grounds.

This inconsistency clearly reveals their inability to give both employee and the employer level bargaining grounds to enjoy the benefits that a fairly executed work contract should have. This flaw therefore renders them of little or no help to the harmonious development of any meaningful relation between employees and the management. Since the impacts of AWAs are quite retrospective, (for example trading off of penalty rates without proper compensation and overtime loadings) they should be abolished- (Boon & Dietz 2005)

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