

Case study of the cra case

Business



There were three unions in the CRA namely the ASIA, COFFEE and AMBER.

The restructuring of the various operations caused a considerable union tension, fuelled by managerial approach which sought change at any cost.

The CRA case is significant because it involved not only 'heart and minds' of employees, but over ideas concerning the role of unions and how employment relations should be managed. It shows how the CRA changed its personal and industrial relations approach to HARM approach. The CRA adopted the method which it saw as a more individualist, employee relations approach.

It was a change brought about in the context of globalization, increasingly competitive commodity markets and growing managerial militancy towards collectivist industrial relations. (Patella, Abbott and Time: 2003) The companies introduced single union sites, bonus or performance pay, annual salaries, introduction of 12-hour continuous shifts and single stream workforce.

Under a single stream workforce classification structure employees are reclassified according to 'generic' job roles. With the loss of specific job titles and duties, it was no longer clear to miners which union was the most relevant to their needs.

The effect was to produce instability in the relationship between unions. (Patella, Abbott and Tit-no: 2003) The senior company managers were told by their chairman that the CRA's future competitiveness depended on organizing and managing individual potential. This culture was based on dreading clown ten collectivist maltase AT unloosens Ana instilling a work

ethic of individual performance and direct accountability (Patella, Abbott and Time: 2003).

The aim of this new strategy was to ensure that the interests of the employees were aligned to those of the company.

The CRA used the individualized contracts with employees. Contracts served the company's purpose of aligning the object of the business with the need of the individual (HARM approach). Once signed, such contracts makes winning the ' hearts and minds' of employees unnecessary, as employees have cogent economic reasons to align their goals with those of the company (Patella, Abbott and Time: 2003). The introduction of staff contracts at CRA was done in two stages. The first stage involved establishing a new company value system based on individualism (HARM approach).

The second involved establishing the appropriate HARM systems and practices to reinforce individual accountability (Patella, Abbott and Time: 2003). The first process was separating out collective bargaining (HARM approach) and trade union involvement from the employment relationship. This was achieved by changing employee values and attitudes through company - inspired propaganda or ' myths' The new narrative was kept simple, focusing on the negative role of the unions in the company's efforts to project Jobs (Patella, Abbott and Time: 2003).

The aim was to reduce employee opposition to the individual contracts. Company ' myths' included: things would have to change if the company was to stay in business; the unions were forcing the company out of business;

every individual's performance matters; and the company looks after the best interests of every employee (Patella, Abbott and Time: 2003).

CRA's strategy also included separating and dividing employees, particularly those who were strong unionists. They were tagged 'poor performers' and 'troublemakers'.

The unilateral nature of the changes introduced by CRA was IIRC during proceedings. The signing of the staff contract represented an employee's trust in many management (HARM approach) and those who did not sign ran the risk of being tainted as troublemakers and disloyal (Patella, Abbott and Time: 2003). Employees at certain operations were offered wage increases (HARM approach) of 11 per cent to 15 per cent under staff contracts, when they had not had a wage increase since 1991 due to breakdown in collective negotiations.

The company offered a unilateral and non-negotiable contract.

Unions were not a party to these contracts. By the end of 1995, the vast majority of employees had agreed to sign. Workers regarded this as the only way to gain wage increases and possibly some form of job security (Patella, Abbott and Time: 2003). First leadership training for supervisors was a prerequisite for cultural change. It was proposed Tanat Tort cutlets learners, management anemia to demonstrate ten employees values (HARM approach) such as trust, honesty, fairness, dignity and love.

This was reinforced by employee value training sessions.

A retrenchment system ensured that unionized elements in the workforce has been gradually weeded out. A performance review (HARM approach) was conducted annually and managerial judgment is made of employee's performance in technical abilities, programming abilities and people skills. (Patella, Abbott and Time: 2003) The unions made applications to the IIRC to protect the role of the unions in collective bargaining using its orbital powers. This involved CRA from using individual contracts. The unions tried to convert the individual contracts into a 'paid rates' award.

The IIRC agreed with the union claims that the company's individual contracts discriminated against those employees who sought to remain under the award, the IIRC concluded that the actions of the company were contrary to the objects of the Industrial Relations Act. The IIRC also found that the improvements in work practices at CRA could have been obtained through a system other than the staff contract system'. The IIRC decision was subsequently reversed by the Federal Industrial Court. The IIRC agreed with the unions that CRA had behaved in a discriminatory way to union members. (Patella, Abbott and Time: 2003) The IIRC issued interim orders that CRA extend staff contract benefits to the remaining award employees on the basis that they were prepared to accept all the terms of the staff contracts. Despite the apparent union victory, problems remained in giving legal effect to the interim orders and the vast majority of employees had already opted for contracts (Patella, Abbott and Time: 2003).

Employer moved towards individual employment contracts are normally justified on the grounds of efficiency and productivity. The aim can be

interpreted as transferring risk from market place into the employment relationship.

It is also about removing any effective collective employee representation (Patella, Abbott and Time: 2003). The experience of the CRA shows how fragile union loyalties can be, given appropriate circumstances and inducements. It is also an example of a company adopting a strategic view of HARM, which was linked to broader business objectives that Justified De-unionization.

Though what the CRA did was good for the company, the way they implemented the changes was unethical, they forced things on the employees and destroyed the unions in a disgraceful manner. The campaign was kept secret so that even 'supervisors were deliberately deceived as to the real company purpose' and 'were only briefed as to pro formal answers to be given to employees to encourage them to accept staff contracts'".

(Patella, Abbott and Time: 2003) Now moving on to the case study given I. . The Doom and Wiser case is similar to the CRA case. But we cannot force things as done by the CRA as the law does not allow us to do it today.

Motivation is a Log Doctor wrongly affects ten performance AT ten employees.

Motivation can be defined as the processes that account for an individual's intensity, direction and persistence of effort towards attaining a goal' (Robbins, Millet and Waters-Marsh 2004: 164). Here I will introduce a pay hike and motivate the employees, as we know pay is the biggest motivator to make the employees work hard for the company benefits. It is important to make them believe that whatever the company does is in the best interest

<https://assignbuster.com/case-study-of-the-cra-case/>

of the employees. I will introduce a performance appraisal system and award people who perform better and thus urging the other employees to work better.

Then once they start believing that the company management cares about them, I will explain to them the advantages of the individual contracts like how its going to benefit the individual and the company.

As the union has a pretty open and trouble free relationship with the management, I will not try and destroy them, it is possible to work in tandem with the union and perform better. I will explain the employees of owe the opening of a new retail outlet could affect our profit and business and it is important that we make the necessary changes now so that we do not suffer later by not being able to compete with the other retailer.

I will try to convince the older family shareholders that the changes we are proposing is only for the good of both the company and the employees and assure them that it is not going to do anything bad to the employees. I will explain to them the advantages of the HARM approach and also that the relationship with the union need not be trouble free for ever, it might change if the leadership of the unions change, o it is better for everyone to accept the proposal of the management so that the company can withstand the competition and continue to make profit and thus the employees can benefit.