

# Collective bargaining

Business



Collective Bargaining According to the definition given by the International Labor Organization-Right to Organize and Collective Bargaining Convention (No. 98) of 1949, collective bargaining can be defined as the voluntary negotiation between employers or employer's organizations and workers' organizations, which is intended to make necessary alterations in the terms and conditions of employment by reaching collective agreements (Article 4, C98 Right to Organize and Collective Bargaining Convention, 1949). Feuille, Delaney, and Hendricks<sup>1</sup> opine in their study into the effects of bargaining on the fringe benefits received by police that collective bargaining differs from the normal commercial negotiations (1-20). While the purpose of the former is to reach a settlement that is acceptable to all the parties involved, the latter does not necessarily need to reach an agreement that satisfies all. In other words, the latter may not result in an agreement. The study that was conducted over a ten year period made the finding that union collective bargaining has a substantial influence on fringe benefits. Brown<sup>2</sup> points out that collective bargaining helps reach a settlement through dialogue and common consensus rather than through conflict and confrontation. As Silva points out, unlike other ways of settlements that often result in the success of one party and the dissatisfaction of the other, collective bargaining ensures maximum satisfaction of all the parties involved as there is no win/lose fear involved (645-674). The second important advantage of collective bargaining as seen from the work of Fiorito and Wallace (569)<sup>3</sup> is that it promotes democracy as there is participation of all. It becomes evident that collective bargaining is the process of rule making or rule alteration that is done by all who are affected by that rule. Thus, collective bargaining can be termed as the process of sharing rule-making power. Yet <https://assignbuster.com/collective-bargaining-essay-samples/>

another benefit of collective bargaining, according to Andrew is that it ensures the smooth functioning of industries as labor union strikes are only used as a last resort as employee unions are ensured that issues can be solved through collective bargaining; thus, the existence of collective bargaining in the long term leads to the growth of mutual trust in institutions. The last benefit of collective bargaining in negotiations, according to Gwendolyn, and Craig is that it makes both the employers and the employees aware about the existing realities of the other side (12-13). To illustrate, when there is a collective bargaining for wage hike, the employers will certainly explain their side that ensures that the demands of the employees will be well within the limits that is possible for the company to do. This is because the employees are well informed about the realities of the industry. Thus, when there is possibility of collective bargaining, running the institution is no more the need of the employer alone, but of the employees as well. However, there are problems in collective bargaining when it goes out of track as it happened with Teamsters. One issue arises when employees lose their chances of individuality. For example, when there is collective bargaining, individual employees' needs may not receive any attention at all as simply by keeping the unions satisfied, the management ensures their cooperation. So, an employee who is not supported by the union may get zero representation and attention. It is pointed out that bargaining agreements often result in decreased employment opportunities for people who are not supported by unions. The same is true about other services like insurance and pension. As far as collective bargaining is not totally 'collective' in nature, it is not as beneficial as people are made to believe. As Blackett<sup>4</sup> points out, strong employee unions may resort to

<https://assignbuster.com/collective-bargaining-essay-samples/>

coercion and job racketeering, resulting in decreased employment opportunities for people who are not supported by unions. In total, it becomes evident that collective bargaining can be a useful tool when all the parties function with benevolence. Otherwise, like all other forms of negotiation, collective bargaining too has its own demerits. Works Cited Article 4, C98 Right to Organize and Collective Bargaining Convention, 1949. Web 31 Oct 2011 Andrew, Yacht. " Collective bargaining is the right step. The New England Journal of Medicine, 342, 6, (February 10, 2000). 429-431. Brown, Michael K. " Bargaining for social rights: Unions and the reemergence of welfare capitalism, 1945-1952." Political Science Quarterly. 112. 4 (1997/1998): 645-674. Blackett, Adelle. " Colleen Sheppard, Collective bargaining and equality: making connections". International Labor Review, 142 (2003), 4. 421-422. Fiorito, Jack & Hendricks, Wallace E. " Union characteristics and bargaining outcomes." Industrial & Labor Relations Review. 40. 4 (July 1987): 569. Gwendolyn, Bradley & Craig, Flanery. Academe. 93. 4 (July/August 2007): 12-13. Peter, Feuille, Delaney, John Thomas & Hendricks, Wallace. " Police bargaining, arbitration, and fringe benefits." Journal of Labor Research. 6. 1 (1985): 1-20. Silva, Sriyan de. Collective bargaining negotiations. International Labor Organization. Web 31 Oct 2011