

Employment relations at aafm australia: charting a way forward case study example...

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



AAFM'S approach to employment relations prior to the year 2005 and after the year 2005

All economies rely on the production of goods and services where these goods are then sold for profit. Most of these goods and services are produced by industrial plants where goods are manufactured or value is added to goods. For profit to be realized, optimum conditions are enhanced so as to be able to produce substantial quantities as possible. Among these optimum conditions, the human resource aspect is the most addressed. This is done so as to give the assurance that the workers are able to perform affectively and efficiently so as to meet the maximum attainable target. Employment relations thus come in handy as the concerns of these workers as well as their grievances are addressed so as to enable the workers give their best. As various scholars and practitioners on the subject have theorized, employment relations holistically espouse various aspects of the work place. It encompasses a set of phenomena, both inside and outside the workplace, concern with determining and regulating employment relationship. This paper thus seeks to understand the employment relations of a manufacturing plant in Australia. In seeking to understand the employment relations of this plant, the paper will centre around two theories, the unitarist theory as well as the pluralist theory. The paper questions whether the plant prior to the year 2005 was taking a unitarist or a pluralist approach in addressing workers issues of concern as well as grievances. It also seeks to delve deeper into the post-2005 management approach to employment relations (Koren 2010, 371). The study also seeks to know whether this management of AAFM still espouses the same ideology as the pre-2005

management.

AAFM is the Australian subsidiary of a Japanese-owned manufacturer of white goods with a plant in the southern suburbs of Adelaide. Established in 1988, the plant with an approximate capacity of one thousand seven hundred employees has had a very strong union presence since its inception. This has been in turn facilitating the prompt address of employee grievances and concerns until 2004 when a review of the subsidiaries in Australia by the parent company in Japan. Since then, a certain degree of distrust developed between the management and the employees prompting a standoff between the management and the Australian Manufacturing Workers Union. This has led to on and off industrial actions of the workers to the dismay of the management who had underestimated the level of discontent among the workers due to their grievances, which had gone long unattended piling up heap-by-heap (Knight 2000, 523).

Prior to 2005, the management of the AAFM plant in Australia had adopted a pluralist approach to employment and employment relations. This is because in the period between 1993 and 2004, the local management of this AAFM manufacturing plant had taken it upon itself as a tradition to accept the role of workers unions in addressing issues of concern to workers as well as their grievances in the plant. This is because the management recognized the fact that for optimum returns from the workers, it had to ensure they in turn got an optimum atmosphere in order to deliver. The management thus worked in cahoots with the Australian manufacturing workers union in identifying the worker's concern as well as negotiating agreements with the union with little disharmony between the parties. The management recognized that conflicts

in the workplace were rational and inevitable since the different parties espoused different interests (Bayari 2011, 8). To ensure that that conflict didn't escalate to unmanageable levels, the resolution mechanisms had to be structural and institutionalized hence the need for the workers unions to help in identifying and managing these conflicts hence these unions were legitimate and accepted in both economic and managerial relations. For effectiveness and efficiency in resolving and managing these conflicts, compromises, negotiations and agreements were key and imperative for both parties resulting in win-win scenarios.

After the change of the management team in 2005, the new team didn't espouse the ideology used by the preceding team. The new team didn't communicate with the workers to identify their issues of concern choosing instead to highly regulate their activities as well as institute mechanisms of surveillance to identify those not performing to standard. It had switched from the pluralist approach to the unitarist approach where industrial conflicts are viewed as aberrant, for example, a deviant behavior among pockets of workers. These conflicts would thus be curtailed by high-handedness through coercion and paternalism for example by limiting the workers freedom through regulations. The workers union in a pluralist approach is usually seen as intrusive organs on the organization only to be engaged with in economic relations. It thus explains why the new management failed to engage with the workers union.

The ways industrial conflict is being expressed at AAFM and the factors contributing to this conflict

Industrial conflict has been exhibited in various ways. Prior to the year 2005, there was limited disharmony between the two parties, namely the management of AAFM and the workers or their union. This is because, as explained earlier, the management had adopted a pluralist approach to employment relations hence the few conflicts with the workers were promptly identified and resolved accordingly.

After the change of the management team in the year 2005 and the subsequent change of their employment relations ideology, there were various conflicts which would occasionally erupt pitting the management team of the AAFM on the one hand and its Adelaide employees and the Australian manufacturing workers union on the other hand (Murray 2006, 45).

The industrial conflict was characterized by the following. First, there was tightened management surveillance of the plant's workers and the consequent disciplinary measures meted upon the workers as well as threats of dismissal. This would to a greater effect deplete any semblance of employment security among the workers. The conflict was also characterized by low morale on the part of the employees. Additionally, there were numerous breakdowns of negotiations around the bargaining table as the management refused to neither negotiate nor address issues of importance to the workers. Industrial action in form of work boycotts and threats to carry out a full strike were also taken by the workers to express their dissatisfaction. The management of the plant would on the other hand stamp

their authority by locking out workers after each stint of industrial action (Murray 2006, 48).

How the conflict at AAFM would be explained and resolved from a unitarist perspective and a pluralist perspective

. a) From a unitarist perspective

A unitarist perspective is whereby the organization approaches employment issues with a capitalist perspective whereby their interest of the company thus the workers tool of engagement, the unions is seen as intrusive. Bearing in mind the fact that the unitarist approach of employment relations seeks to delineate from the work place the disorderliness and lack of control on the part of the organization's management on its relations with the employees, a strong hand on the part of the management is hence necessary. The bottom line of this approach is to ensure that solely the management monopolizes power, authority and control (Graham 2005, 412).

The management will thus need to delineate from the work place, the workers union which in numerous instances incites workers to engage in industrial action by means of strikes, boycotts as well as go-slows. To this effect, the bargaining point of the workers union will be strictly on economic relations of the organization only (McNeil 2009, 19).

The management would also need to take much stronger actions against dissident workers so as to curb the numerous industrial conflicts and unrests between the workers and the management. Legal initiatives against these dissidents should also be taken. Such measures will serve as deterrent measures against further industrial action by the surviving workers (Cruse 2008, 202).

b) From a pluralist perspective

A pluralist approach sees the field of employment relations as one with manifest interests only resolvable by negotiations, agreements and compromises. The AAFM management team will address the issue cognizant of the fact that conflict at the work place is rational and inevitable hence the need of a structural and institutionalized approach without victimizing the workers.

A dynamic equilibrium between the management and the workers is what is needed as the management will be oblivious of the different interests espoused by the different parties and since for optimum production, optimum conditions were needed. It is these interests, which need to be identified early in advance and addressed through negotiations, agreements as well as compromises on the part of both parties (Lucky 2011, 179).

The workers union is viewed by the management of the AAFM as an integral part of the organization articulating the workers interests as well as issues of concern. The management would have to involve the workers union which will be best placed in identifying the grievances of the workers as well as their issues of concern which they need the management to look into. The workers union, in this case the AMWU, will also be better placed to sit with the management around the negotiating table until the stalemate is resolved.

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