

Models in employment relations



**ASSIGN
BUSTER**

Compare and contrast the perspectives of the egoist, unitarist, pluralist/institutionalist, and critical/conflict theory models with regard to their views of the employment relationship.

For example, how do they explain conflict in the workplace; what is their view of the management function; the role of government regulation, markets, efficiency/productivity, equity and voice; and what if any is the role of labor unions? How can these perspectives help us better understand any particular contemporary economic issue such as (choose one of these or bring in one of your own): Changes in US employment relations brought about by globalization; growing income inequality; the debate over raising the minimum wage; the attack on public sector unions; the meltdown of the financial sector in 2008; the decline in private sector union density; or recent efforts by Congress at tax reform?

When discussing the employment relationship models, it is best to come to understand that it is extremely important that both equality and efficiency are taken into consideration when understanding needs. Budd and Zagelmeyer are two of the founders of the four models that define employment relations to this day. Each of the models: Egoist, Unitarist, Pluralist/Institutionalist, and Critical/Conflict are integral in identifying a key area where Budd and Zagelmeyer feel is a topic for discussion in the field of employment relations. Each of the models can be considered unique and are important in deciding how to organize different schools of thoughts.

Starting with the egoist model in employment relations, this model is generally guided by the principle of efficiency. Efficiency as a concept drives

both value as well as a voice in decision-making (Budd, 2004). In this model, employers are aiming towards greater levels of productivity and therefore treat labor as a commodity. Since this is the case, there is little room for government intervention and this model can be considered more on the self-interested side of the scale. Because labor is a commodity, all parties are intended to be self-interested and striving towards their own respective goals. The labor markets are perfectly competitive and will balance out from Adam Smith's "Wealth of Nations". As stated before, since this approach is stricter and more self-interested, parties will generally cooperate more as long as it suits them more. Government regulation will conclusively be extremely minimal as the government would only step in when the market is unexpectedly failing. Government regulation is bound to shake the economy, so the government would only be called upon when the situation is dire (Budd, 2007).

The Unitarist model has a much different view as compared to the egoist model. Comparatively, while the egoist model looks at labor as a commodity, Unitarist believes that the workforce as beings. More specifically, labor is regarded as psychological beings (Budd, 2007). The labor market itself in this model is viewed as imperfectly competitive and not focused on self-interest. Instead, it prioritizes collaboration between shared interests with employees and employers. With this in mind, we can assume that proper human resource policies and possibly labor unions would be in place so that these relationships can be preserved and built upon. The Unitarist model believes that the employer and employee will act more as a team and is the more collaborative of the models. When it comes to views in government

regulation and intervention, it believes that it should be low. Since cooperation is more emphasized, there is less of a need to worry about falling back to another power when it comes to repairing or fixing the economy. This model is also exceptional when dealing with competition. The goal of this collaboration between the employer and employee is so that destructive competition can be snuffed out and that the relationship can stay strong. (Budd, 2007).

In the Pluralist Model, the view of labor is slightly different from how it is seen in the Unitarist. While Unitarist viewed it solely as a psychological being, Pluralist also viewed that being as an economic one as well. In simple terms, the model identifies labor as citizens with rights (Budd, 2007). Its views on the Labor Markets were also imperfectly competitive on the basis that employers have on average, a higher bargaining power than the employees (Budd, 2007). However, in this model, the relationship between employer and employee is valued. It doesn't appear to be as idealistic since it believes that there will be inevitable conflicts. Similar to the Unitarist model, it believes in having strong HR policies, but it isn't solely reliant on that. The Pluralist model trusts the relationship but has the flexibility of being mixed in its approach; thinking in a more "realistic" sense. The proper alignment will be there, but there will undoubtedly be conflicts on the way. For this reason, government regulation in this model is necessary. The government can establish safety guidelines and limit employer bargaining power so that it becomes more equalized for both parties. In this model, the government intervention will serve as the source of equity and be a third party in overall decision making.

The final model is the Critical model, where similarly to the Pluralist model, views labor as economic citizens. When it comes to the labor market, this model also views it as competitively flawed and that there is always more than on the surface level. Despite how it may appear, there are always deadlines or particular needs that need to be met beyond the typical sight of outsiders. In the Critical model, there is much emphasis on conflict and the relationships between employer and employee (Budd, 2007). Employers and employees may take this approach when trying to gain the upper hand on the other and taking advantage of the relationship. Government regulation is sometimes utilized here. It is important when it comes to protecting employees; however the critical model believes that government regulation is not ideal when it comes to capitalism.

Overall, these models are all extremely valuable when discussing the issue of the growing income inequality in this nation. Currently, the 1% occupies an overwhelming majority of assets in the country. While many of them have worked to get to that point, there is still a significant portion of the country that is in dire need of this money. If we were to compare one of these models to the state of the economy in this country today, it would most likely be the Pluralist model. Many companies view their labor as citizens with rights and power in the market. We are also seeing an increasingly amount of companies try to enforce HR policies to accommodate workers as well provide a solid environment for individuals to thrive. Since there is more of an emphasis to focus on the relationships of the employer and employees now, the HR department is now more focused and going through many reforms. However, both employers and employees try to get the most out of

each other in all cases; also signifying the self-interest aspect. The need for government regulation will grow increasingly as time goes on and may eventually be essential when the economy crashes once more. The Pluralist model helps us understand our economy today and exemplifies many qualities in how we approach problems as well. Each of these models is helpful in determining how labor will be seen in the future, and it is necessary to see how we view the economy today to see if any past connection can be made.

Works Cited

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