

Employment Relations

Employment relations main actors and approaches

Prepared by Dr. Nourhan Sayed

HRM 624

4th Lecture

Lecture (4)





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The main actors in the employment relationship

The main actors in the employment relationship

1st actor is the state.

The state

- Government The role of the government and its agencies is to provide an enabling environment for the production of goods and services. (Ayantunji & Ayantunji, 2013).



The state

- According to Godard (2005) the state has five roles in the employment relationship, regulative, employer, facilitative, structural and constitutive.



Define state

- The state refers to a governed entity (country) or a sub-entity (territory of a country).



Define Government

- Government is the people and processes by which an entity (country or territory) is governed.



Discussion questions



Why the state is considered one of the actors of ER?



State vs Government?

The main actors in the employment relationship

2nd: Institutional actors

Institutional actors

Institutional actors are divided into : Employees and Trade unions



Institutional actors

- The role of the employees and their trade unions is the supply of the skills necessary for the production of goods and services (Ayantunji & Ayantunji, 2013).

Institutional actors

- Employees and their trade unions expect generous salaries and other favourable conditions of employment in return for their services (Ayantunji & Ayantunji, 2013).

Define Employee:

Employee is someone who provides labour and/or expertise in exchange for a wage/salary



Define trade unions

- Trade unions are organisations which represent the interests of workers or employees



Discussion question



What are the institutional actors?



Employees vs trade unions.

The main actors in the employment relationship

3rd: organizational actors

Organisational actors

- Organizational actors is divided into : Employer and Employer Associations



Organizational actors

Employer:

- The role of the employer is to provide raw materials including human resources and finance for the production of goods and services.



Organizational actors

Employers and their associations expect good profits in return for their investments in raw materials and other resources supplied by them for the production of goods and services (Ayantunji & Ayantunji, 2013).



Organizational actors

Employers' interests often refer to the organisation's interests which are consistent with the interests of the shareholders, executives, and managers (Budd & Bhavé, 2006).

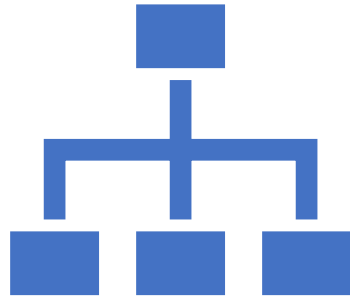


Organizational actors

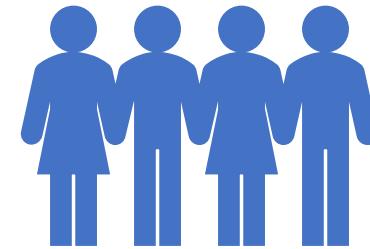
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Discussion questions



What are the organizational actors?



Employers vs employers
associations.

There are three primary views
on the interests of employers:





There are three primary views on the interests of employers:

- profit maximisation,
- stakeholder value
- and power and control.

1st views on the interest of employers:

- According to Bud and Bhave (2006) The first view is profit maximization where an organisation's objective is to structure work to generate the highest profit level possible.



2nd views on the interest of employers:

- The second view broadens the objective of profit maximization to include other stakeholders such as employees.





3rd views on the interest of employers:

- The third view is the quest for power and control over employees this goes beyond that necessary to maximize profits



Define employer

- Employer is a person or organisation who offers wages/salary in return for labour and/or expertise



Define Employer associations

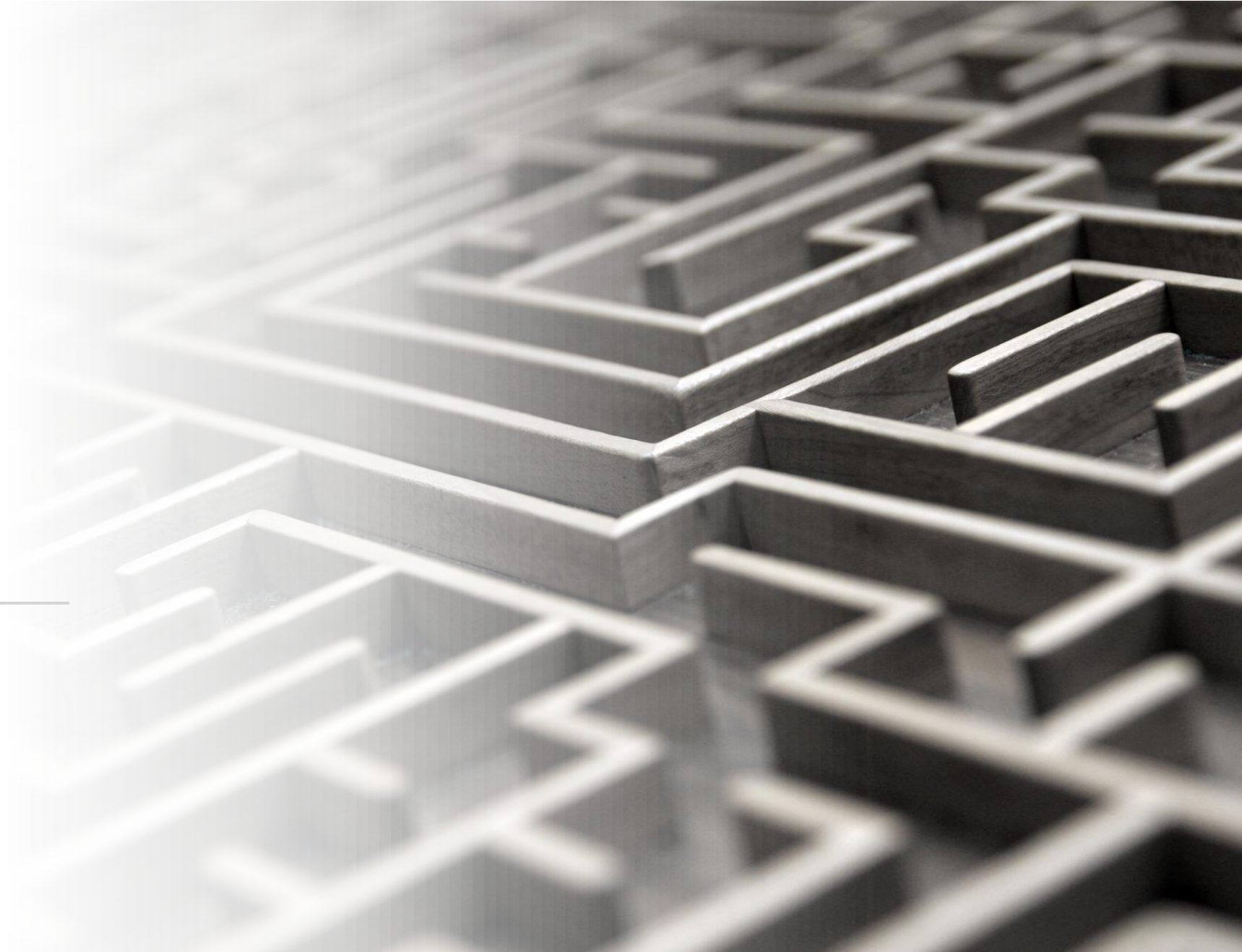
- Employer associations are organisations which represent the interests of the employers



Theoretical study of ER

- Since the mid 1960's the distinction between unitarism and pluralism frameworks were seen as two incompatible conceptualisations of the organisation and the employment relationship

The unitarist approach





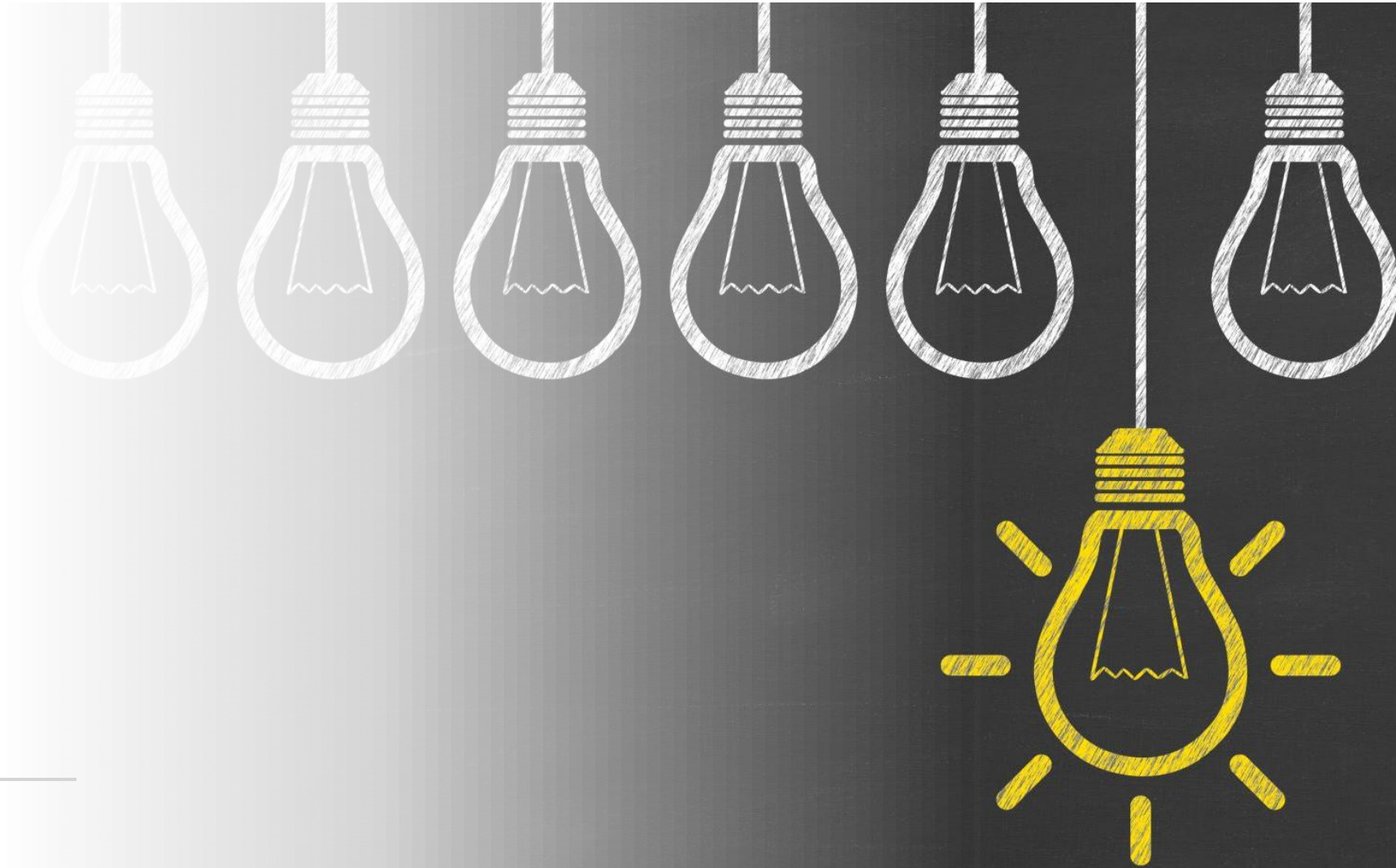
The unitarist approach

- views employment as a relationship between members of a group with a common purpose (Cradden, 2011).



The unitarist approach

- Unitarism denotes individuals and groups with similar objectives and interests



The pluralist approach

The pluralist approach

- The pluralist approach views employment as a strategic relationship between strangers. Employees and employers have different and competing goals and values and have no common purpose. Employment is characterised by conflict and any cooperation is based on the mutual need to attain the separate goals (Cradden, 2011)
- Pluralism denotes individuals and groups with diverse goals and opinions



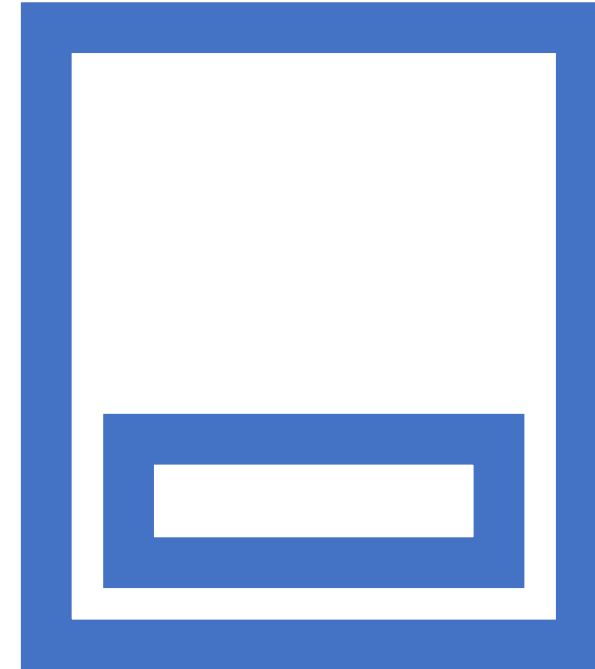
The pluralist approach

- Pluralism denotes individuals and groups with diverse goals and opinions



Discussion question

- Compare between pluralist and unitarist approach.





Revision Question

- What are the seven characteristics of ER?

Characteristics of the employment relationship

Characteristics of the employment relationship

1st: The Employment Relationship is multifaceted and continuous

Characteristics of the employment relationship

1st: The Employment Relationship is multifaceted and continuous:

The employment relationship is not a simple, straight forward transaction such as buying an apple or a laptop. Instead, the relationship involves people who come from different backgrounds, have different personalities and different needs.

Characteristics of the employment relationship

2nd: The Employment Relationship is complex.

Characteristics of the employment relationship

2nd: The Employment Relationship is complex and involves many dimensions:

such as Economic (unemployment, wages and availability of labour), Social (values, diversity and equity), Cultural (teamwork, power-distance, work-life balance, ageing workforce), Legal (Workplace health and safety, legislation) and Psychological (Emotions and Personality)

Characteristics of the employment relationship

3rd: The Employment Relationship involves mutual responsibilities.

Characteristics of the employment relationship

3rd: The Employment Relationship involves mutual responsibilities.

It is important that both employees and employer carry out their duties and responsibilities. Employer responsibilities include paying wages or salaries as agreed, providing a safe working environment and reimbursing any expenses incurred. Employee responsibilities include obeying reasonable, lawful and safe instructions, working in a competent manner to take reasonable care and not harm employer's interests

Characteristics of the employment relationship

4th: The Employment Relationship includes tangible and intangible elements.

Characteristics of the employment relationship

4th: The Employment Relationship includes tangible and intangible elements.

The tangible elements may include pay, company car and conditions of employment. The intangible elements may include more motivational aspects such as a sense of satisfaction and self-fulfilment.

Characteristics of the employment relationship

5th: The Employment Relationship is indeterminate and incomplete.

Characteristics of the employment relationship

5th: The Employment Relationship is indeterminate and incomplete:

It is difficult to provide a definitive list of all aspects involved in the relationship. Also, as the relationship evolves, new terms and conditions of employment are often generated

Characteristics of the employment relationship

6th : The Employment Relationship denotes the importance of cooperation and conflict:

Characteristics of the employment relationship

6th : The Employment Relationship denotes the importance of cooperation and conflict:

It is important to cooperate and work with people to develop long-term successful relations. However, the acknowledgement of conflict in the relationship may also help to overcome differences and create new and innovative ways of conducting business

Characteristics of the employment relationship

7th : The Employment Relationship is about balancing power:

Characteristics of the employment relationship

7th: The Employment Relationship is about balancing power:

Power should be balanced between the employee and the employer. The involvement of the state and employee and employer representatives helps to ensure that the balance of power exists in the employment relationship.



Any questions



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Thank You

