

Employment Relations

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HRM 624
4th Lecture

Lecture (4)



Employment Relations

Employment relations main actors and approaches

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.

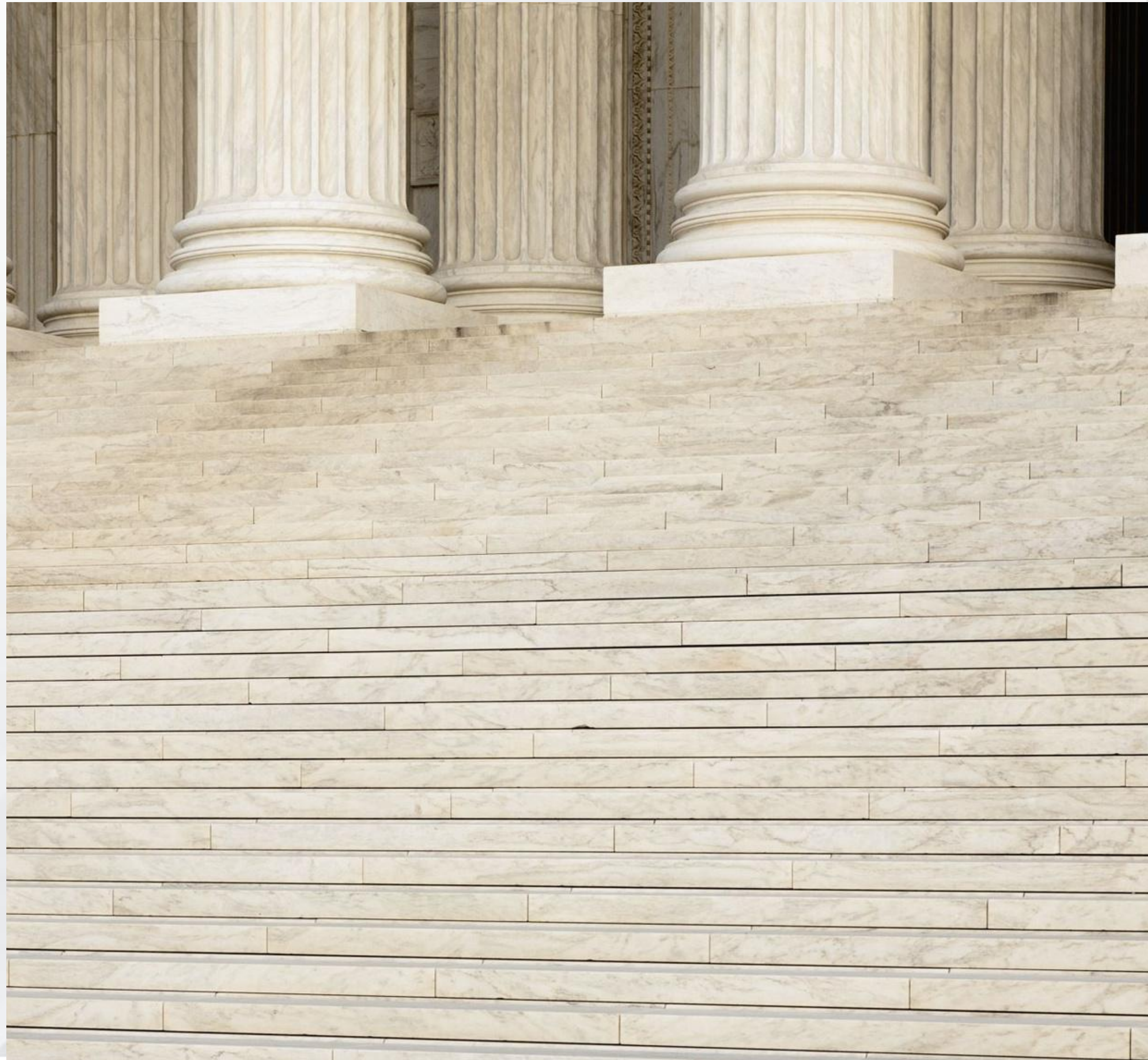
The state

- 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).



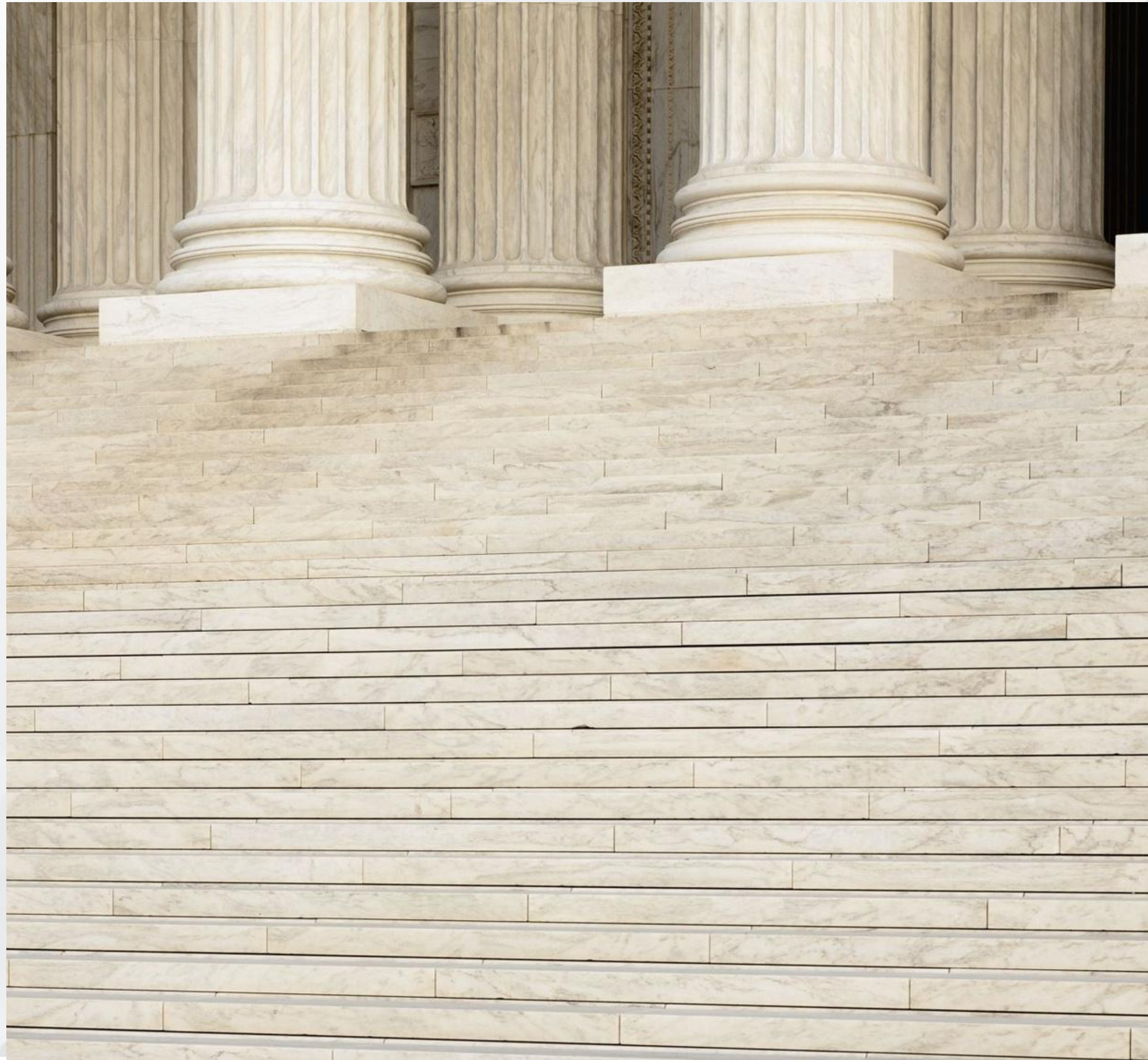
The state

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



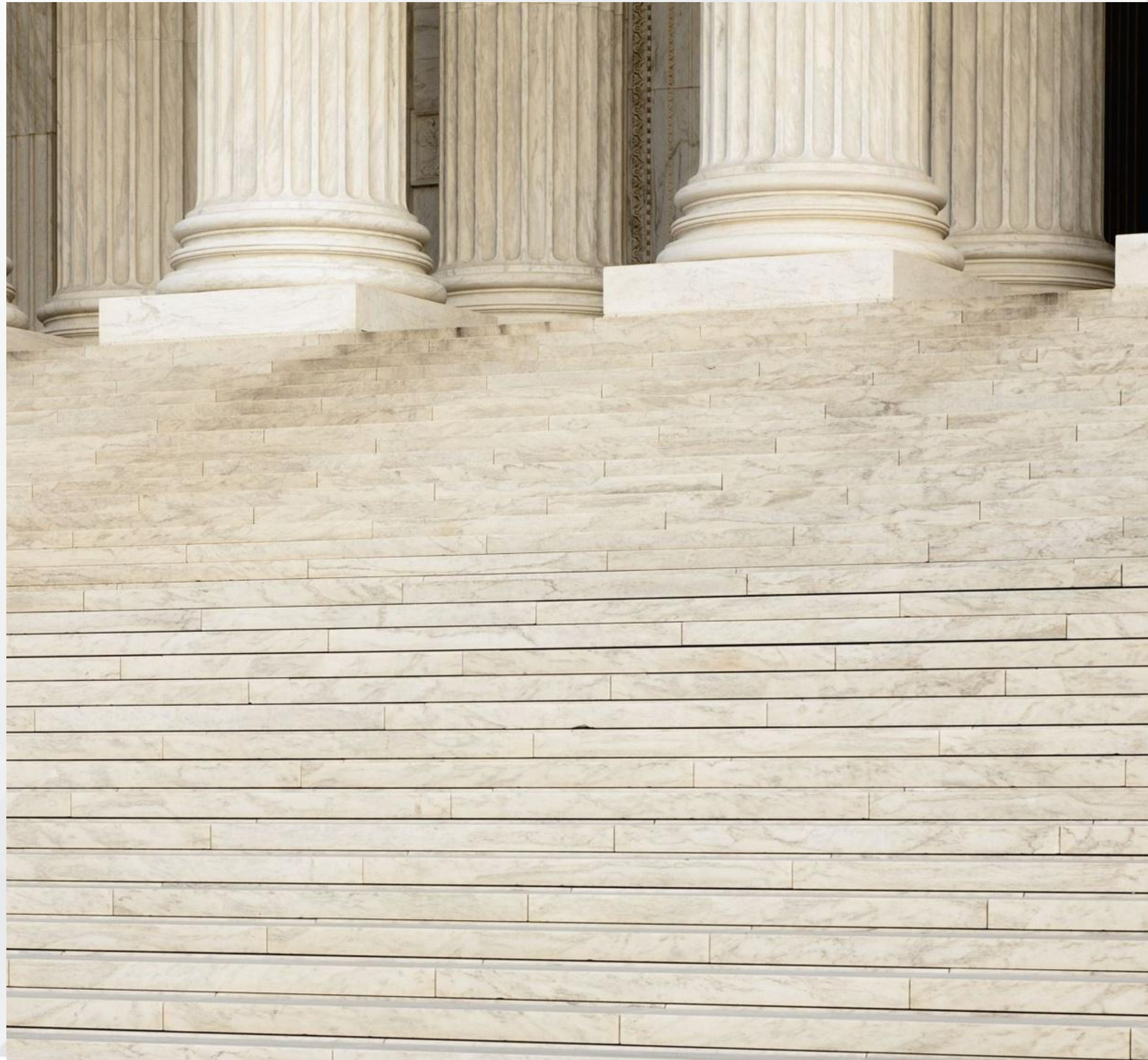
1. Regulative Role:

The state establishes and enforces employment laws, including minimum wage, non-discrimination, and labor standards. This role also extends to regulating collective bargaining through labor laws, impacting how employers, unions, and employees interact.



2. Employer Role:

The state acts as an employer in its own right, creating its own employment relationships.



3. Facilitative Role:

The state helps establish social norms that influence the employment relationship.



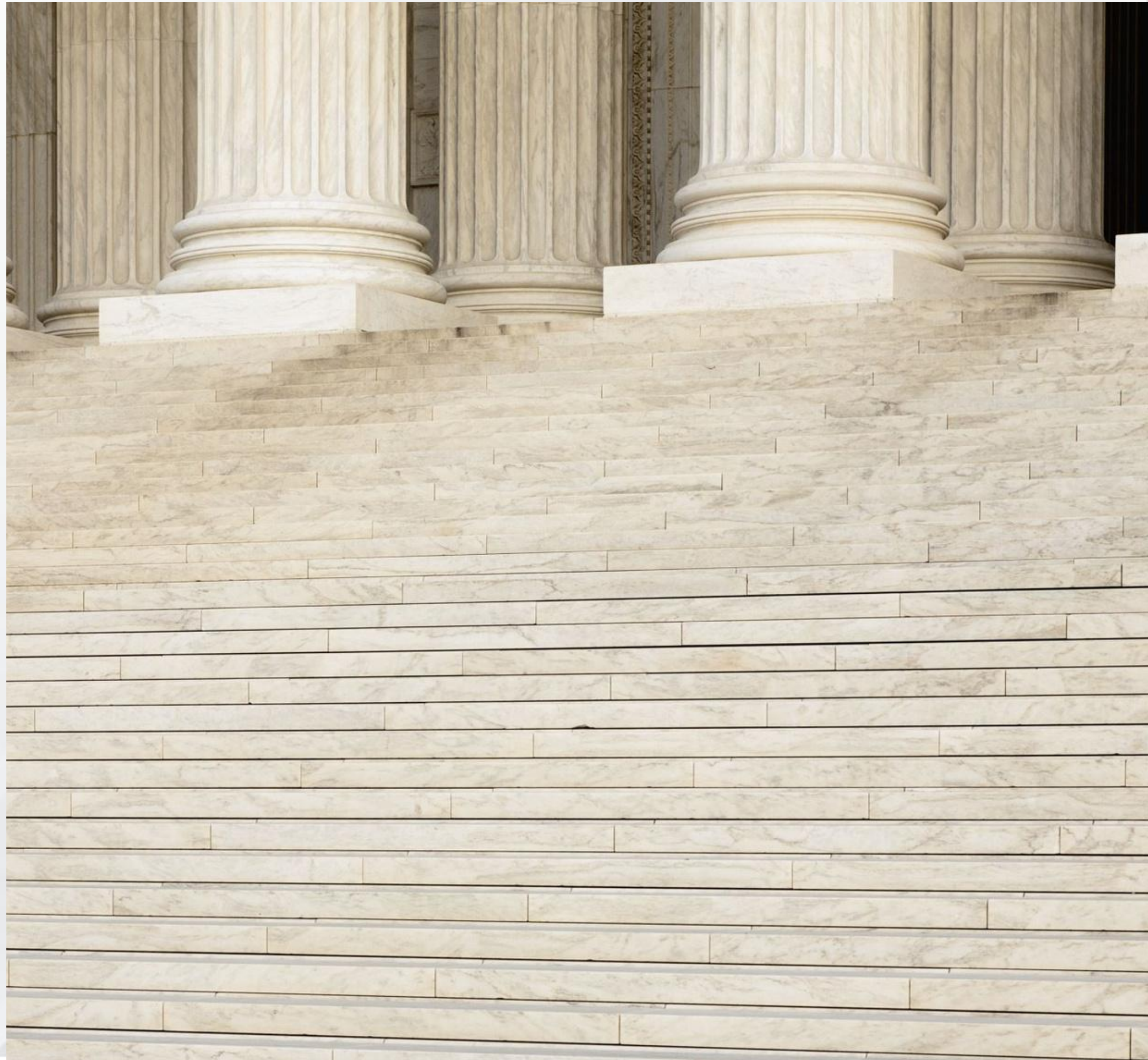
4. Structural Role:

The state's sets the general framework or general policies of the state in all sectors and fields (economic, political, social, cultural, and educational), which affects the labor relationship.



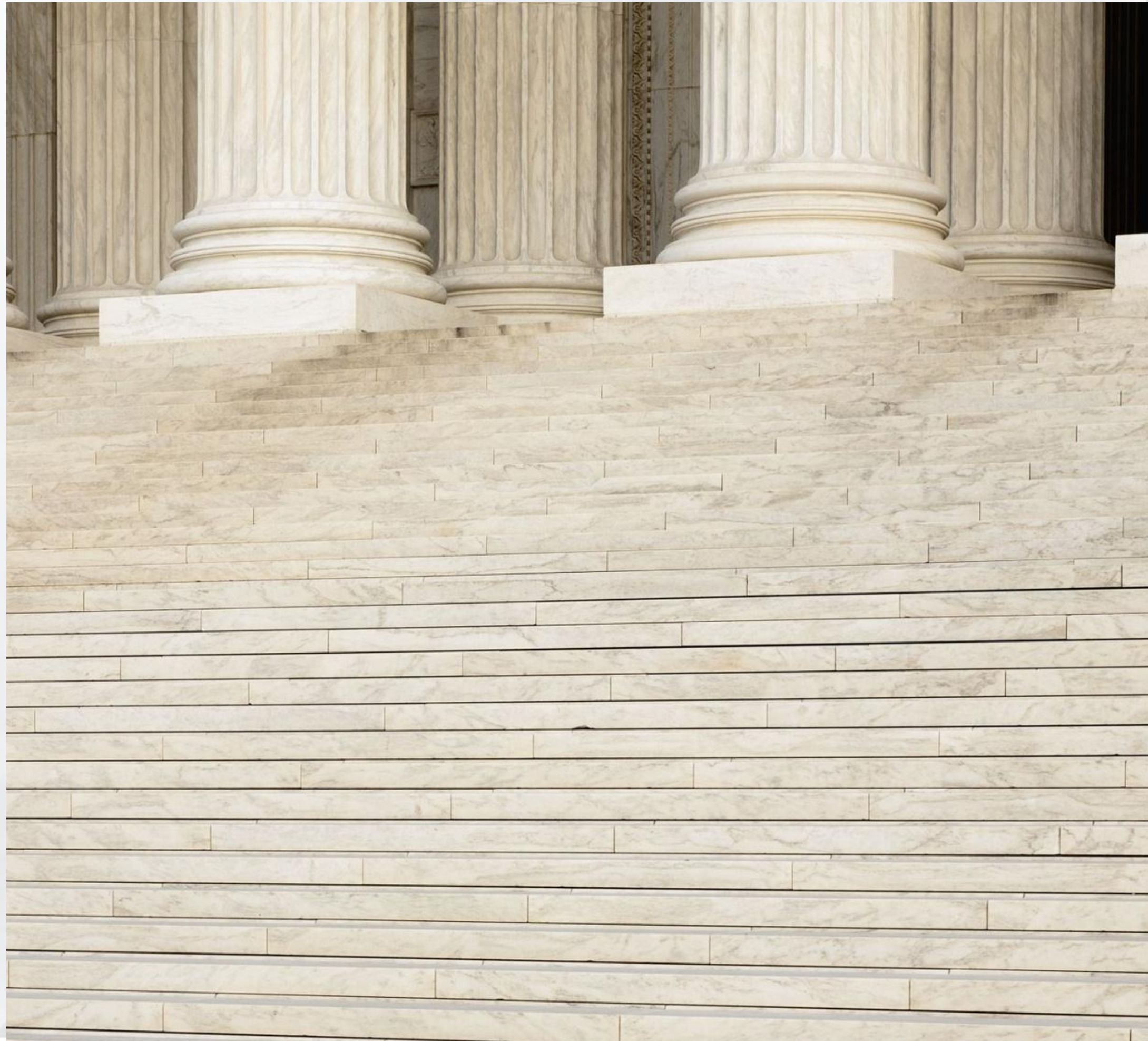
5. Constitutive Role:

The state defines the fundamental rules that govern how labor relations are formed, such as the recognition of trade unions, collective agreements, and workers' representation rights. This role serves as the foundation upon which the other roles are built.



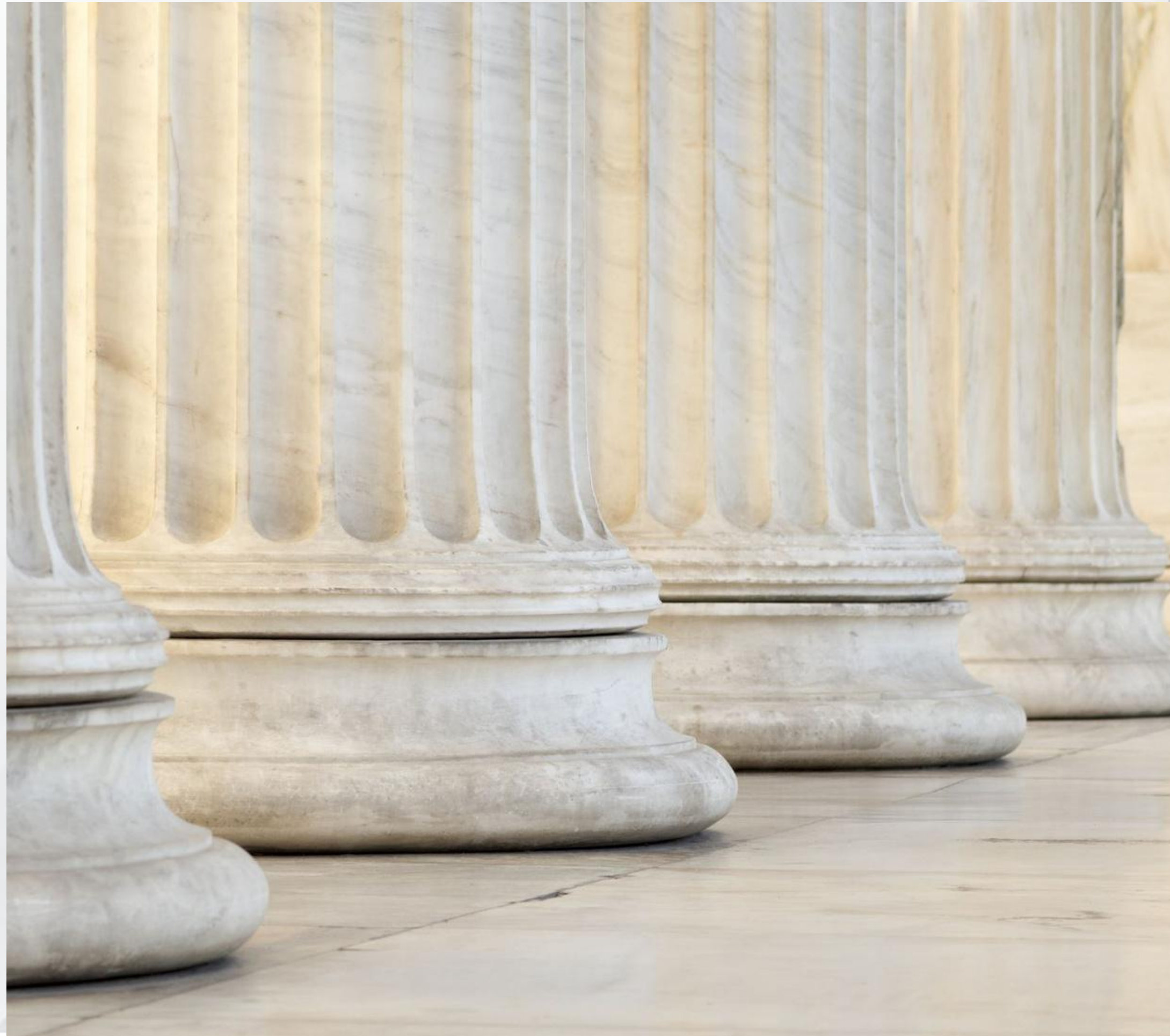
Define state

- 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

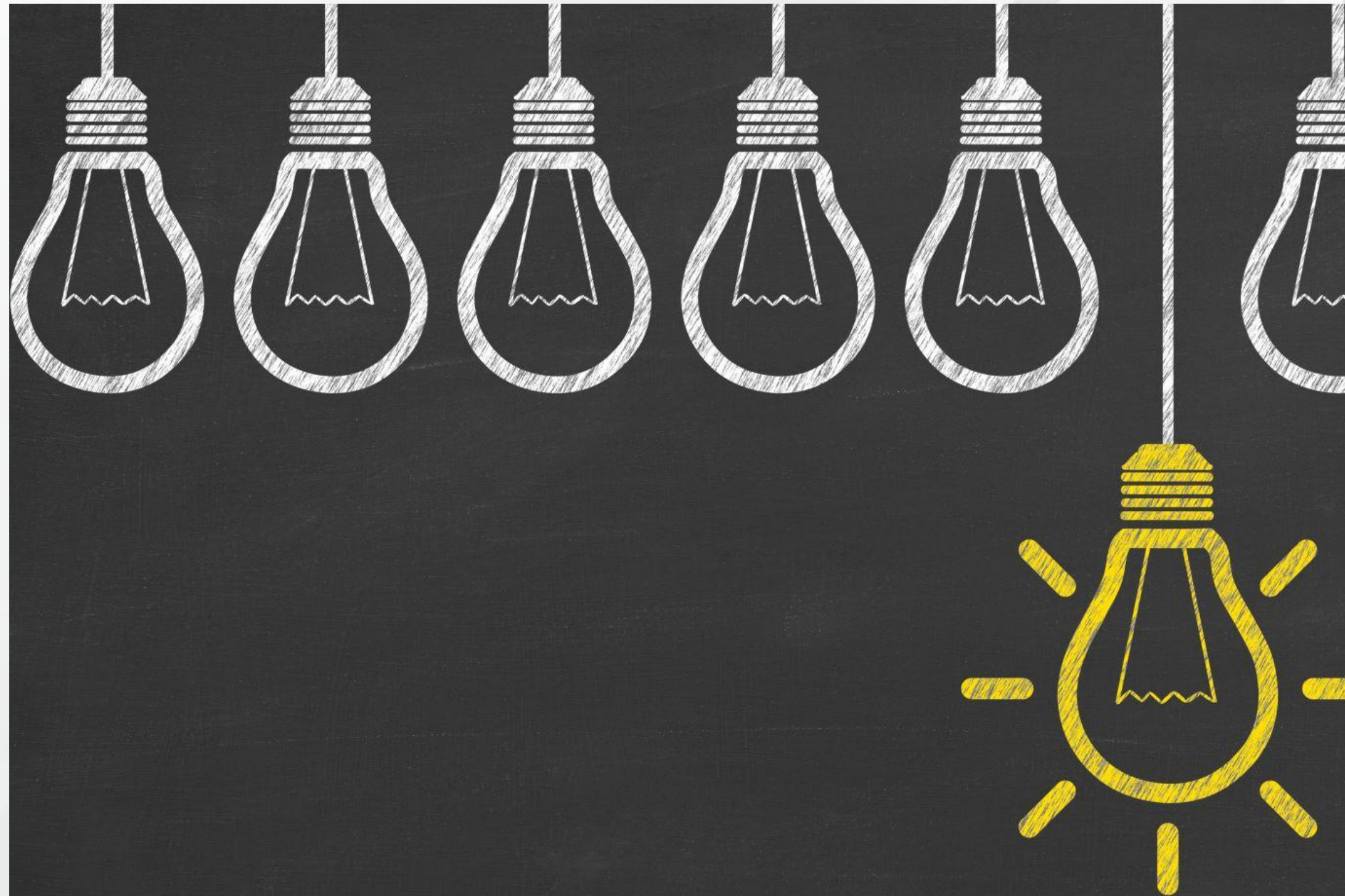
- Organizational actors is divided into : Employer and Employer Associations



Organizational actors

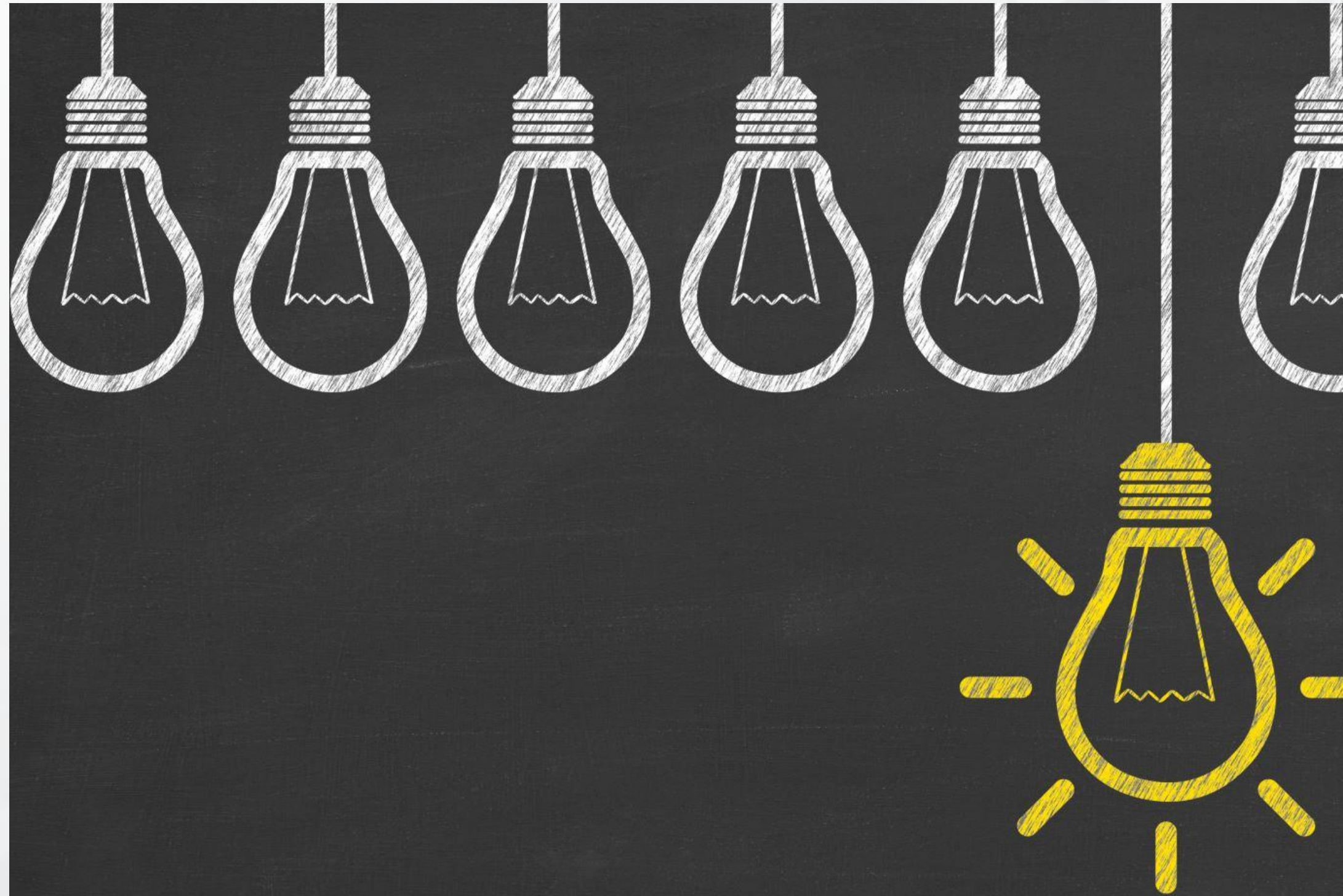
Employer:

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



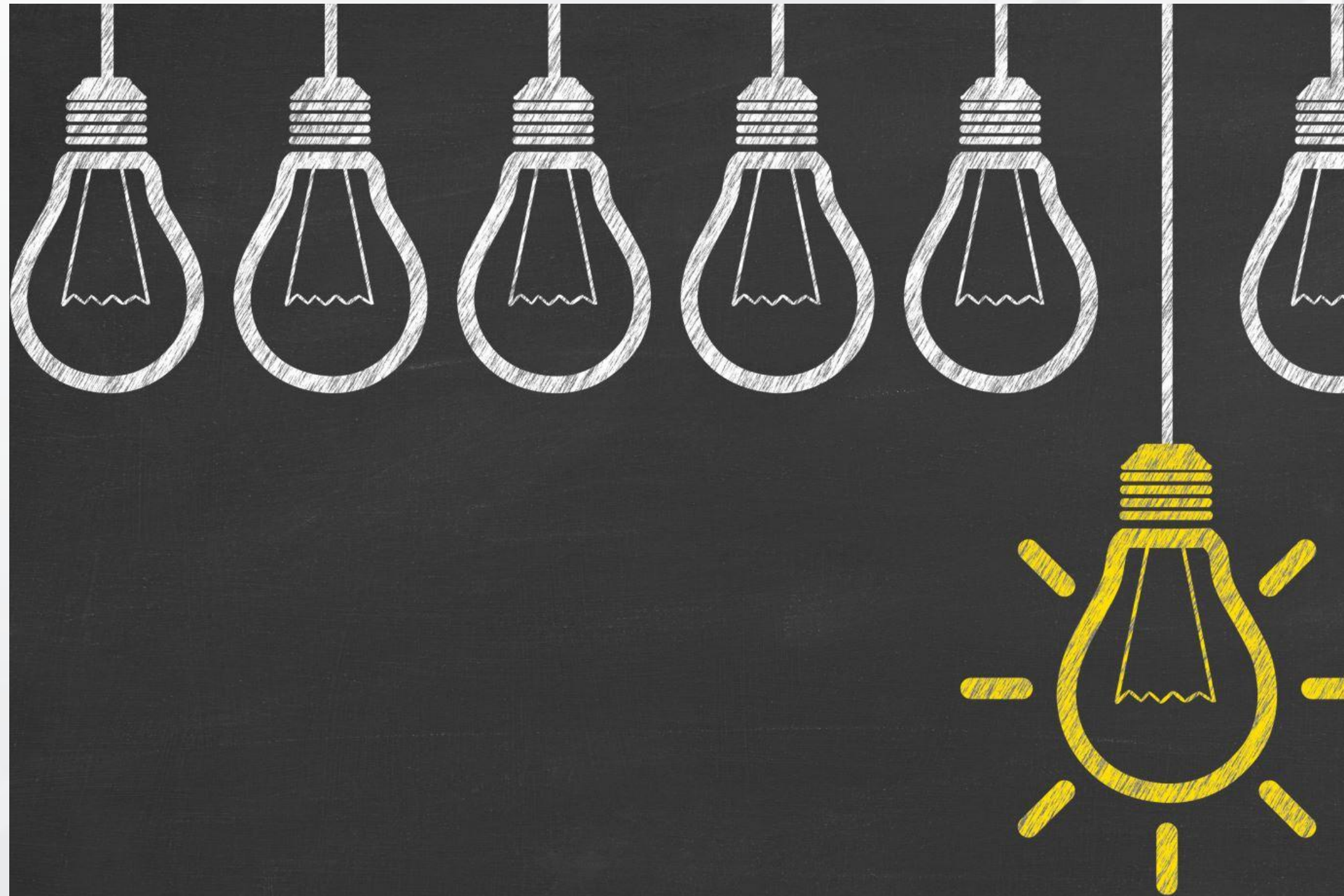
Organizational actors

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).



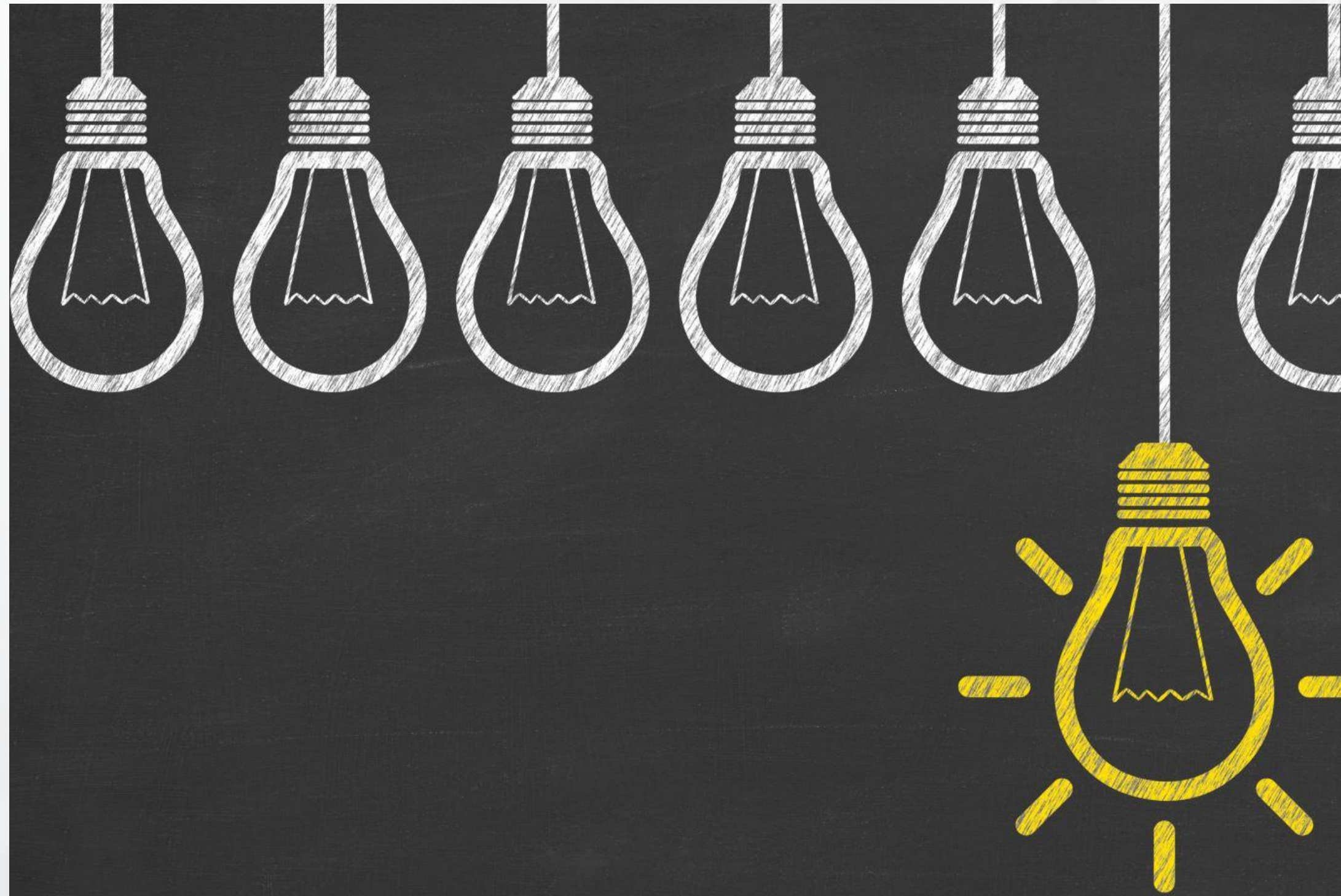
Organizational actors

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

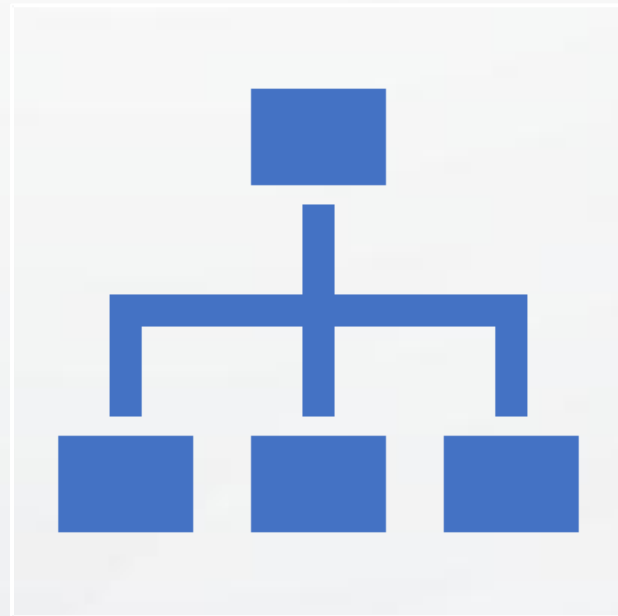


Organizational actors

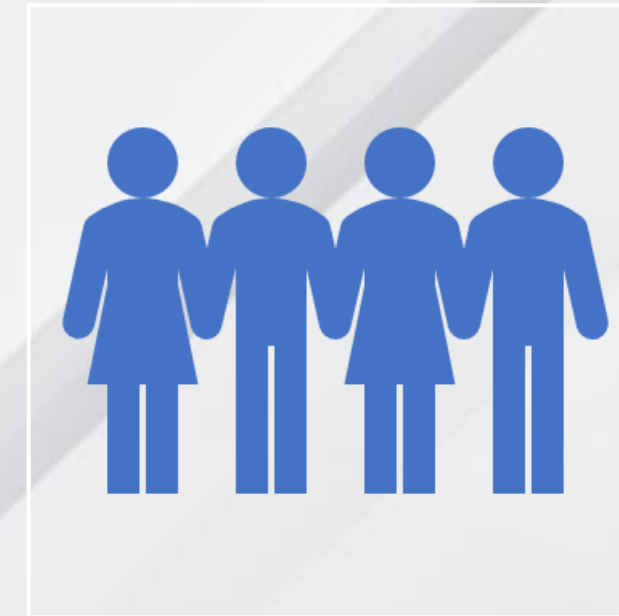
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Discussion questions



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

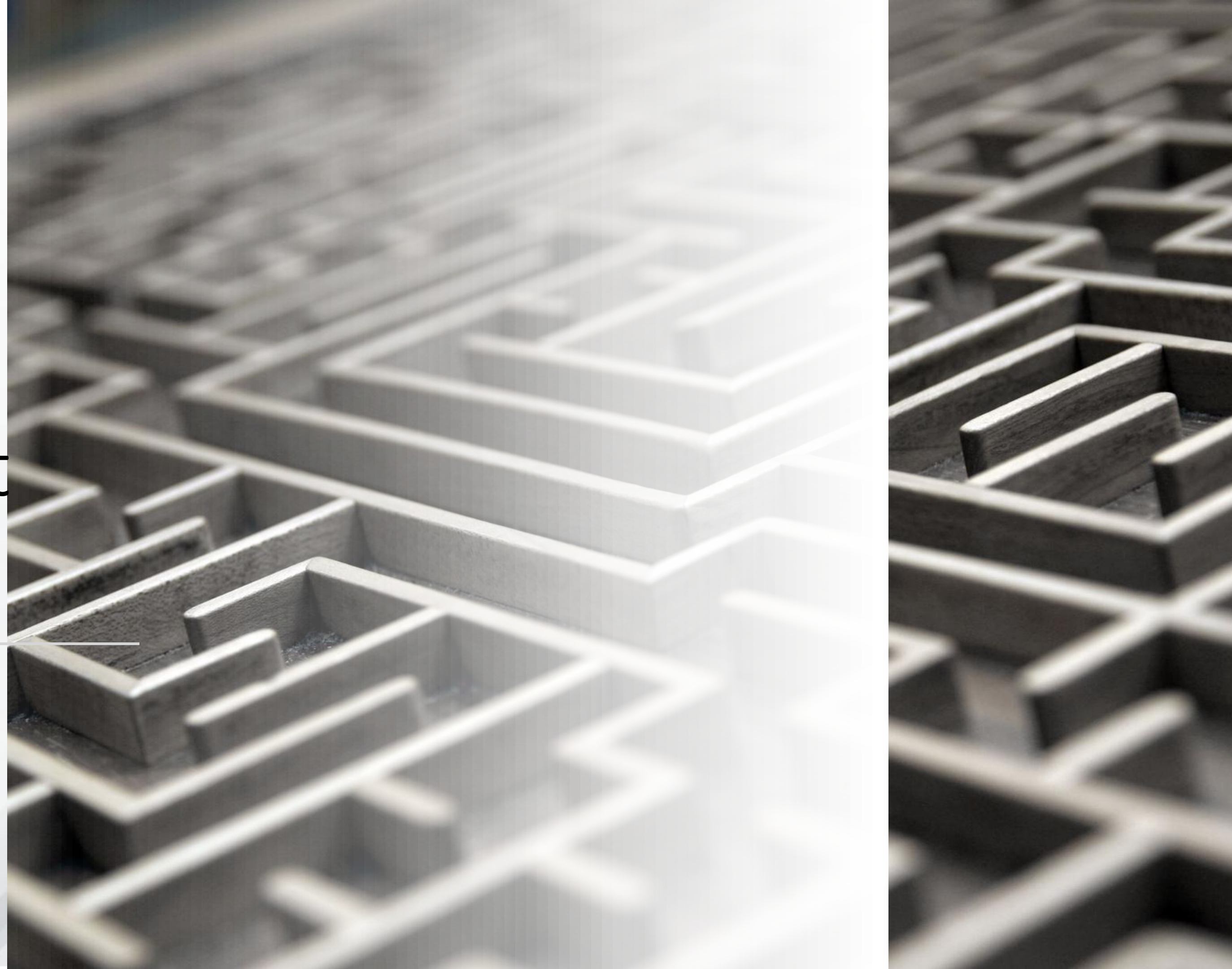
- Employer associations are organisations which represent the interests of the employers



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.



Thank You