**Management/Employee Conflict**

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| **Causes of Conflict** | **Management Perspective** | **Employee Perspective** |
| Level of Pay | Pay must be kept low to make the business more competitive.Wages must not be higher than those of competitors. | We work hard and our pay is lower than the managers.The business is profitable where is our shareOur wages are lower than those of competitors. |
| Working conditions | Working conditions meet the minimum standards and is sufficient for production. | More can be done to make us feel safe and comfortable at work. |
| Benefits | The business can not afford longer holidays and more pension for workers. | Additional holidays and benefits will motivate workers. |
| Business change or new technology | Change is necessary to remain competitive and profitable | Change can lead to job loss and can be stressful without compensation. |
| Cutting cost | The business needs to cut cost to be competitive. | Cutting cost almost always seem to affect workers. |

***Employer strategies to manage conflict***

* **Negotiations** - face to face agreement, compromise to reach a solution.
* **Public Relations** – using the media to try and gain public support for the employer’s position.
* **Threats of redundancies** – this is the same as dismal.
* **Changes of contract** – The employer can choose to not renew contracts or give shorter term contracts.
* **Closure** – The factory can close down.
* **Lockout** - temporary closure of business to prevent worker from working and being paid.
* **Employment of other workers** – hired to do the jobs of striking workers and instil fear of job loss.

***Employee strategies to manage conflict***

***Join a trade union;***

 A trade union is a group of workers who come together to fight for workers rights.

Shop steward – a union representative in the work place.

The trade union acts on behalf of workers to manage conflict through collective bargaining. Collective bargaining is negotiations between representatives of the workers and employers.

When collective bargaining fail the union may engage in industrial action. Industrial action are measures taken by the workforce or trade union to put pressure on management to settle an industrial disputes in favour of employees.

Passive forms of industrial action include;

1. Go slows – In this action workers keep working but at a very slow pace.
2. Work to rule – Workers do not do anything outside their job description.
3. Overtime bans – Workers refuse to work any over time.
4. Picketing - demonstrations highlighting the grievance of workers usually with signs.
5. Sick out – Employees all take sick leave at the same time.

A more aggressive form of industrial action is ;

Strike action – Employees withdraw their labour for a period of time and protest.

When industrial action fail and the dispute can not be resolved the next approach to conflict resolution is mediation and arbitration.

Mediation/Conciliation – uses a third party in industrial disputes to encourage both parties to make a decision and come to a compromise.

Arbitration – Resolving an industrial dispute by using an independent third party to judge and recommend an appropriate solution. Both parties must agree to accept the ruling of the arbitrator.

If no resolution can be found the matter is reported to the Ministry of Labour which is the procedure outlined by the Industrial Relations Act (IRA). The matter is then referred to the industrial court where the matter is heard and a final decision made by a judge.