

The Scope for Conflict

Profit requires cost savings, including labour costs



Workers aim to secure high pay, good conditions and shorter hours

Watch the following clip and note the main conflicts



Labour management approaches

1. Autocratic, with a 'take it or leave it' attitude to workers.
2. National, industry-wide collective bargaining between powerful trade unions and major employers.
3. Cooperation between labour and management, recognising that successful relations will benefit all.

Choose an approach, then construct a convincing argument why your approach is best



Trade Unions - Power through solidarity

An organisation of working people with the objective of improving the pay and working conditions of their members and providing them with support and legal services.



UNISON
the public service union

Solidarity, June 30, 1917. The Hand That Will Rule the World—One Big

Why join a Trade Union?

Represent

Represent & protect interest of employees

Negotiate

Negotiate on behalf of employees with employer

Collective bargaining



Company/Union Relations

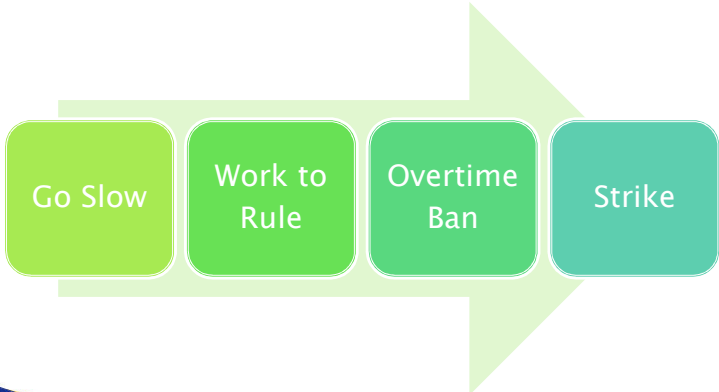
Trade Union Recognition – where an employer formally agrees to negotiate with a specific union rather than with each individual worker.

Often coupled with a single union agreement to make communication and dispute resolution more efficient.

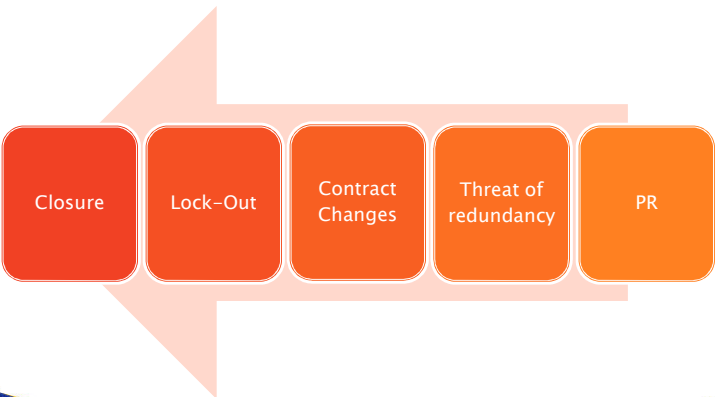
Now more common to have no-strike agreements in exchange for greater involvement in decision making and policy.



Types of Industrial Action



Employer Response



Which side has more power?

Unions/Employees are more powerful when...	Employers are more powerful when...

Read the table on page 207 and choose three of your 'favourite' points for each side



Resolving Disputes

Conciliation – the use of a third party in industrial disputes to encourage both parties to discuss an acceptable compromise solution.

Arbitration – resolving an industrial dispute by using an independent third party to judge and recommend an **appropriate** solution, e.g. ACAS (Advisory, Conciliation and Arbitration Service)



ACAS

Think of employers and workers as an unhappy couple...



ACAS will..

- ▶ Be a counsellor, encouraging them to find a solution...
- ▶ Be a lawyer, recommending how the couple divide their things outside of court
- ▶ Be a judge, enforcing on them how to divide their things!



Arbitration

- ▶ Binding – when both parties agree to be bound by the recommendation put forward.
- ▶ Pendulum – both sides accept the decision of the arbitrator who is forced to side with either the employer or union.

Read 'Safeguard Investments Ltd' on page 208.
What would you advise?

