

Table of Contents

(Unit 2.1) HRM	3
Recruitment and retention:	3
Training and development:.....	3
Appraisal:	3
HR strategies to deal with change:	4
(Unit 2.2) business organizations	5
Matrix structure:	5
Organizational structure by product	5
Organizational structure by region	5
Offshoring a business.....	6
Reshoring a business.....	6
Shamrock Structure	7
Holacracy.....	7
(Unit 2.3) leadership	7
Autocratic leadership:	8
Paternalistic leadership:.....	8
Democratic Leadership:	9
Situational Leader:.....	9
Scientific thinking/management (HL)	10
Intuitive thinking/management:.....	10
(Unit 2.4) motivation.....	11
Motivation theories:	11
Taylor's theory:.....	11
Maslows hierarchy of needs	12
Herzberg two factor theory:.....	12
Equity theory:.....	13
Expectancy theory :	14
Labor turnover:.....	15
Avoidable causes of employees leaving:	15
Unavoidable causes of employees leaving:	15
Appraisal:	15
Appraisal methods:	16
Methods of recruitment:.....	16
Job description:	16
Personal specification.....	17

Job evaluation:	17
Job advertisement:	17
Selection:	17
Internal/external recruitment	17
Training.....	18
The importance of training:.....	18
On the job training:	18
Off the job training:	19
<i>(Unit 2.5) organizational structure and culture</i>	<i>19</i>
Handy' s Gods of management theory	19
Fredric Lakloux: reinventing organizations	20
Cultural clashes.....	21
Hofstedes cultural dimensions:	22
<i>(Unit 2.6 communication)</i>	<i>23</i>
Formal communication:	23
Informal communication:.....	24
Types of description	24
<i>(Unit 2.7)Employer and Employee relations.....</i>	<i>25</i>
Ethics	25
Sources of conflict in the workplace	25
Approaches to conflict in workplace	27
Conflict resolution:	27

(Unit 2.1) HRM

Human resource management is the function management to

- Recruit
- Train
- Compensate
- Develop the people within the business

It's done to meet the aims and objectives and types of organization

Workforce planning is how many and what type of employees are needed now and in the future.

The first activity is gathering and analyzing data about the needs of the organization

Roles required:

- Numbers of employees
- Labor turnover
- Business objectives
- External environment impact (STEEPLE)

The second activity in workforce planning involves developing responses to HR needs that have been identified.

Recruitment and retention:

Recruitment is the process of seeking, finding and hiring people for a position in an organization.

Once the right people have been recruited, HRM works to retain them

Labor turnover So, motivating and retaining workers is a key function of HRM

Training and development:

Training involves teaching employees' new things they haven't learned, or improving what they have already acquired

Trained workers are more productive, motivational and make a business more resilient

HRM involves identifying and developing appropriate training opportunities for employees in a business

- Online courses
- Teaching degrees
- Certificates
- Work like balance training.

Appraisal:

- Appraisal: involves an assessment of employee's performance
- Appraisal takes many forms and usually involves steps for improvement of the workforce.

HR strategies to deal with change:

Participation:

- Having question/answer sessions
 - Systematic mechanism for employee information and feedback
 - Democratic decision-making (participation in the decision)
- Participation in decision-making, however, does not completely eliminate resistance, and overcoming employee concerns can take time.

Planning:

- By implementing change in stages, feedback is available in stages too, and management can react accordingly at each stage.
 - The bigger the change, the more important that management has feedback loops
- Changes need to be planned and managed carefully and time must be allowed for employees to understand the change and feel part of growth.

Communication:

- Managers must be able to identify the problems and communicate to the employees how they are resolving them
- Managers / HRs must communicate the positive aspects of this change

Negotiation:

Managers could use the 'carrot approach' in limiting and restricting any resistance to change.

- Provide incentives to employees before, during, and after the change occurs
- They can amend contracts to incentivize staff

Manipulation:

Representatives of employees resisting change can be invited for a dialogue by the management.

- this allows HRs/ managers to convince and influence representatives toward the change
- The representatives may then have influence over a wider group of employees.

Coercion:

This is the last approach the management should use with employees resisting change.

- Bully employees and force them to accept change
- Threatening them with dismissal, redundancy, disciplinary action or redeployment
- Removing promotion opportunities.

(Unit 2.2) business organizations

Matrix structure:

A matrix structure is an organizational structure that has 2 or more reporting structures (2 bosses): employees working a project to both a project manager and to a functional manager (By product and function)

Adv

- Overcome problems of subunit orientation
- Allows ppl to learn Abt other functions
- Quick transfer of valuable employees
- Promotes a concern on cost and quality

Dis adv

- Lacks bureaucracy (lack of rules and regulations/hierarchy)
- Problems in functions and products
- Hard to design and manage relationships

Organizational structure by product

An organizational structure where the organization is divided into different departments, each focused on a diff product

Employees are focused on the specific market segment related to their product, and their result, meets the customer more efficiently

Can encourage competition to produce a more viable product

Organizational structure by region

Also called a geographical organizational structure

Each location is overseen and directed by one or several managers

MNCs use this model

Each regional location may report to an executive

Drawback is that their decision making could be easily de centralized easily

Economic changes:

In a recession, sales revenue decreases, businesses may reduce staffing. Entire layers of hierarchy may be cut, called delayering, and roles may be eliminated.

Businesses begin to decentralize decision-making in order to be more responsive to markets and customers.

Businesses may decide to centralize in order to increase control over the business

In periods of economic growth, sales revenues and profits are increasing, a business may add specialists to improve efficiency.

- This would support managerial economies of scale

Globalization

Globalization: “the increased movement of people, products, ideas, culture and finance across international borders.” Can also impact business organizational structures.

MNC expanding borders will establish new organizational units

Outsourcing a business

Outsourcing: a business may decide to stop producing a particular part or close a function and use other companies to supply it

- Losing control of vital business functions could happen
- Can suppliers respond to change quickly
- Can quality always be maintained
- Apple uses samsung products

Offshoring a business

Offshoring: moving a business from one country to another

- Offshoring is often used to reduce costs in business
- Is it ethical for German car companies to move manufacturing to Poland to lower costs but removing thousands of jobs away from Germans
- German jobs lost but lower cost of cars

Reshoring a business

Reshoring: a business that decides to move back to a country after offshoring.

Technological Changes

New Manufacturing system or new machinery may remove the need for a quality control department in the business

New accounting system may reduce the need for some admin tasks, however new technologies can create new opportunities for skilled workers in the IT department

Sociocultural Changes

Globalization increases number of workers deciding to work in other countries

- Workers look for new opportunities
- Skilled/not skilled, parttime/fulltime

Increased availability of labor enables businesses to be more flexible organizational structure

Employees bring new ways of thinking and new products

Unresponsive, rigid hierarchical structures are no longer considered optimal for the business for employees

Changes In Organizational Structure (HL only)

- Businesses need to be flexible in order to be resilient
- Workers appreciate greater flexibility

Shamrock Structure

Businesses will need different numbers of employees with different skills at different times

- Having a static set of employees
- Hiring more permanent employees, which can increase costs but cannot be reduced easily

Core employees: full-time employees (level 1)

Sub-Contract employees: these workers are workers working on a contract for a certain amount of time (level 2)

Temporary workers: when they are hired when needed (level 3)

Benefit: businesses can add or change its work-face as needed

Downside: fewer employees are closely connected to the business

Holacracy

Holacracy is a type of flat organizational structure which teams work autonomously to accomplish tasks and company goals

In a holacracy, teams of people self organise as needed to complete the Necessary work for the organization. Authority is distributed, and there are few managers

Key elements

- Roles
- Circle structure
- Organic Development
- Self-organization
- Flexible leadership

(Unit 2.3) leadership

Autocratic leadership:

A leadership style which never seeks input from subordinates, nor do they value any input
Adv

- Easier to make orders (Faster)
- Orders are made by one person rather than having several orders
- Better for unskilled workers (They follow exact orders no need to think)
- When a timely decision is needed, this leader can readily make it

Did adv

- Lack of innovative ideas or creativity
- Low motivational levels
- High turnover rate
- Employees' ideas and feedback may not be sought or welcomed

Paternalistic leadership:

- Derived from the Latin word 'pater', meaning father
- Family-like atmosphere is created to provide a sense of security, loyalty and bonding.
- Strong central figure, with much power and the control over decision-making (Common in autocratic leadership) however it feels different.
- Paternal leaders treat employees like family, care about their concerns and interests outside work
- This can create great pride in and devotion to the organization

Advantages & Disadvantages:

- Creates a sense of belonging
- Increased loyalty and higher retention rates (up to many years)
- Decisions are made with employee happiness in mind not just profits
- Increased trust as we are a family
- Without strong managers, employees may stay reliant on their leader (easy times create weak people)
- When there is deep loyalty both leaders and employees sometime fail to see the best interests of the company are not being addressed
- If the company experiences hard times, difficult decisions will have to be made and employees it go. This can cause great disruption to a business

Democratic Leadership:

Democratic leadership is a style of leadership whereby the leader actively seeks input from members of the organization

- They encourage employee participation in decision making
- While an autocratic leader aims to increase the distance between the executives and the employees, a democratic leader tends to remove this distance
- Listen to employees and understand their questions or concerns

Advantages & Disadvantages

- More trust and motivation between employees and employer.
 - Employees can give a second opinion and voice their feelings.
 - Having lots of people share ideas leads to better decision making.
-
- Not a good option for military tactics and in times of crisis
 - "Time is Money" - Democratic leadership and decision-making may take more time
 - Hard to maintain as employees and managers won't always be on the same BEC

Situational Leader:

A situational leader adopts the right approach for the place, time and people involved

Change is the key term in this type of leadership

Style may differ based on the current demand or current matter at hand

They may demand employees to follow the rules when in a crisis (autocratic style) or they can "we're all in this together" (paternalistic style) when they want to achieve an objective.

* At some point they may allow employees to make mistakes in order for them to learn from it (Laissez-faire style) or they may ask employees to take part in decision making (Democratic Style)

Advantages & Disadvantages:

- Allows change and adaptation to different situations
 - • Different employees require different approaches to make them better
 - Useful in large organizations with "diverse needs"
-
- Could cause confusion as a leader constantly changes their approach
 - Its flexible nature may not work well in work environments with repetitive tasks.
 - Acquires the ability to assess an employee's maturity level (willingness and ability).
- If leaders aren't skilled at this, they risk making choices that don't suit a team or individual.

Advantages & Disadvantages of holocracy:

- Employees have full autonomy to make decisions
- Increased motivational levels and high levels of trust is achieved
- Great advantage in having competent independent minds
- If employees are not raned well to be independent the business will suffer
- This style doesn't suit all employees (some like to be given orders).
- An inexperienced employee would function better under paternalistic or Mocratic leadership styles)

Scientific thinking/management (HL)

Scientific thinking/ management is a management style whereby decisions are made ing quantitative research & techniques.

Intuitive thinking/management:

intuitive thinking is a process of fast reasoning developed by experienced ,managers, combining emotional intelligence, experience and learning from past mistakes (made based on a hunch)

Benefits and Limitations

Faster. Decisions based on intuition tend to be faster based on data collection and analysis.

Not based on data. The biggest limitation of this method is that historical data is not consulted, either because of us lack of availability or the speed of decisicar making.

Suitable in emergencies. In an emergency, it is usually impossible to conduct scientific analysis. So being able to make accurate decisions based on intuition is an asset.

Riskier. Making decisions without data may mean that some risks - which data might have uncovered

- are overlooked.

(Unit 2.4) motivation

Motivation is the reason why we do something. These motivations come in 2 different ways, intrinsic, extrinsic or a combination of both.

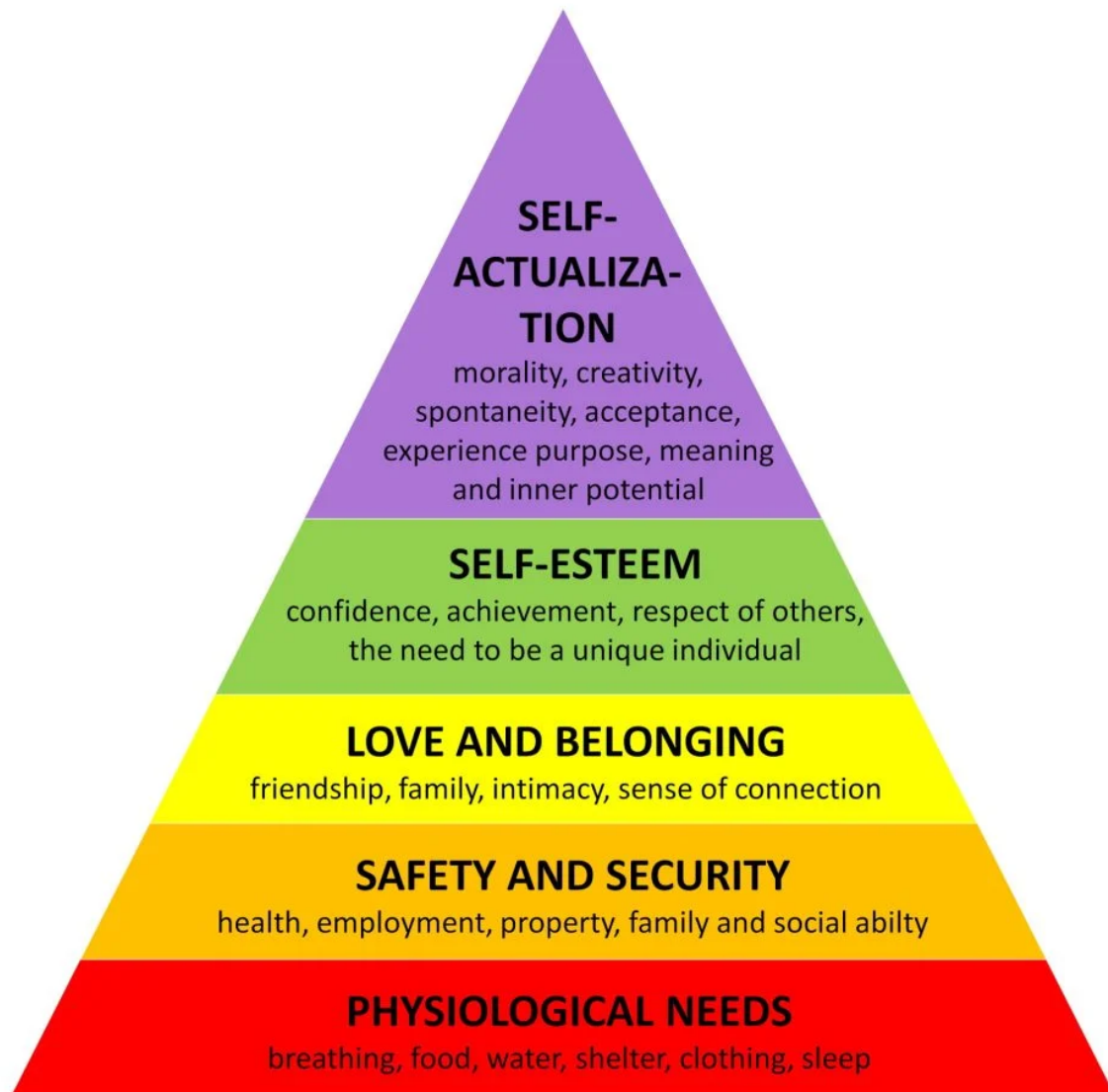
- Intrinsic motivation is when a person engages in an activity because there is a reward or pleasure in taking action.
- Extrinsic is when you get rewarding outside the task for doing the certain activity

Motivation theories:

Taylor's theory:

- Taylor focused on the efficiency and productivity of workers
- Believed workers should be monitored closely and given incentives if productivity improved
- According to Taylor, Money is the key motivator.
- Taylor's structure was autocratic

Maslows hierarchy of needs



- not everyone has the same needs
- Our perspective of what is important to you

Herzberg two factor theory:

It consists of 2 factors

Motivators:

- factors that directly motivate people to work harder

Hygiene:

- factors that can motivate you if not present, but if it is present, it won't be present either

Herzberg's work is similar to Maslow's in that he identifies "basic" needs, which

- Herzberg called hygiene needs, that need to be present in the workplace
- Higher order needs, such as psychological and self-fulfillment needs, are motivators.

Hygiene factors

- Workplace condition and policies
- Compensation
- Security relationships

Motivators

- Work itself
- Responsibility
- Growth
- Achievement
- Recognition

Definitions of all 3:

Taylor's Scientific Management is the systematic study of workflows that breaks down tasks into their smaller components. This helps to improve efficiency and productivity. its most common application is in assembly-line work.

Herzberg's two-factor theory suggests that hygiene needs (demotivating factors) are basic needs that must be met and motivator needs, if met, give an employee satisfaction in their work.

Intrinsic motivators

- autonomy is when a person makes the decisions
- Competence refers to a feeling of capability to do things in the world
- Relatedness is when a feeling connects with other people, a way of belonging to a group

Equity theory:

Inputs:

- time
- Efforts

- Expertise
- Loyalty
- Commitment

Output:

- compensation
- Recognition
- Sense of achievements
- Promotions
- If there is an imbalance, the employees will be de motivated
- Too much time and effort with low salary is a de motivation due to imbalance
- If employee feels that the others receive greater compensation for an equal or lower amount of output.
- People have different perspectives about fairness
- Fairness can change over time
- Excessive compensation packages for top managers
- Businesses need to improve workplace equity

Expectancy theory :

Victor vroom claims that the human behavior is motivated by anticipated results or consequences

The 3 parts of the expectancy theory

Expectancy: it is the employees belief in increased efforts will result in better performance.

Instrumentality: receiving a positive outcome from giving inputs to the company

Valence : value that the employee gives to an outcome after putting efforts.

- Understanding expectancy theory can help managers identify the outcomes (rewards) that employees expect to receive for their performance.
- Managers can clearly and closely align performance targets with hose outcomes (rewards)
- Clear links between performance measures and outcomes will not work to improve motivation and performance if the employee does not value the outcome or reward that is offered
- Managers need to take culture id individual values into consideration when developing appraisal and rewards systems (wey should be flexible with reward systems)

Labor turnover:

Avoidable causes of employees leaving:

Dissatisfaction with compensation

- Underpaid employees leave when there is a better offer on the table

Poor physical reasons

- Poor lighting, ventilation, sanitation, long distance cads to dissatisfactionj

Toxic work culture

- Degrading, inhospitable, corrupt environment - seek a more supportive place

Job dissatisfaction

- When the job doesn't correspond to your abilities id a job that better suits your qualifications or work-life balance

Human resources policies

- Having autocratic policies means strict rules on sick leaves, delegation, promotion etc. find organizations with more flexible rules or better growth opportunities.

Unavoidable causes of employees leaving:

Family circumstances.

- Marriage, birth of children, better schooling etc

Physical reasons

- Physical condition no longer allows them to do the work

Retirement

- Employees may retire from work when they reach a certain age,

Dismissal

- Employees may be dismissed due to their ability to do the job or to their conduct.

Redundancy

- Organization may need to cut jobs as a result of reorganization or a downturn in sales revenue.

Appraisal:

An employee's performance appraisal is also referred to as a performance review or performance evaluation

The employee and the manager meet to discuss the employee's performance, identifying any areas for improvement and any personal development or training needs.

Why do you do appraisals?

- help performance
- Provide feedback
- Identify training needs
- Improve motivation and job satisfaction
- Identify for potential promotion
- Decide on whether to increase salary or not

Appraisal methods:

Formative: The employee receives this type of appraisal on an ongoing basis even while training. The supervisor provides feedback to the employee on their skills and progress and propose modifications on the work.

Summative: a performance review after a specific amount of time. It consists of evaluating the overall performance of the employee to deliver a final verdict for a set of time.

360 degree feedback view: This method of appraisal uses surveys to gather information about an employee's performance from different people involved in their work. The employee is rated by supervisors, subordinates and peers.

Customer ratings and self-ratings can also be used.

Self appraisal: The employee uses preset criteria to assess their own performance. This helps the employee prepare for the performance appraisal discussion and identify their own needs for training. However, the self-appraisal method does not usually replace appraisal by the supervisor

Methods of recruitment:

Job description:

HR will then write a description of the job.

Potential candidates will know what is expected of them.

A job description may include: the job title, the context of the job within the business, the main tasks and other duties (for example, whether the job involves being part of a team), information about the working environment (such as the physical environment, the social environment and the length of the working day), and performance information (for example, criteria for measuring performance).

Personal specification

This step defines the qualities of the individual needed to fill the vacancy, such as qualifications, experience, personality and skills.

Job evaluation:

this is an assessment of the value of the job in relation to other jobs, so that rewards and remuneration can reflect its value.

Job advertisement:

- This refers to the method or methods used to let people know about a job opening. A lot can be advertised internally to current employees, and/or can be advertised externally to new recruits.
- Job advertising can be done through a number of channels, social media, newspapers, employment agencies, word of mouth and the business's own website are some of the most popular.

Selection:

- This is the decision about who will be offered the position. The process is longer and more formal for a senior management position. The process will also depend on the size of the organization and resources available

Internal/external recruitment

Internal recruitment: already knowing the individual, and offering promotion

Advantages:

- shorter induction
- No surprises
- Lower cost
- Motivation

Disadvantages:

- limited candidates
- Another vacancy
- Less innovation
- Discontent

External Recruitment

External recruitment is when a Job decided to fill in a blank space in the company by recruiting an employee from outside the company.

Advantages:

- more candidates
- No vacancy to fill
- More innovation
- Less conflict

Disadvantages:

- longer induction
- Surprises
- Higher cost
- Discontent

Training

The importance of training:

- more productive
- Easily replace one another
- Feel valued
- New tech
- Fewer accidents
- Increases chance of promotion
- Increases their own resilience

Why companies don't train employees:

- training is costly
- Less tuition if done off the job
- Disruption because it takes time to train
- Risky, since employees might train and then leave the business to a new employer

On the job training:

When the employee continues to work, without leaving the work

- induction
- Coaching
- Mentoring
- Apprenticeship
- In house coursing
- Job rotation

Caching: supervisor guides the employee on what to do

Induction: when basics of the job is explained when you are new

Mentoring: trainee carries on with the job, but talks to mentor on how to solve problems

Job rotation: works at different positions in the company in short intervals.

Apprenticeship: works under supervision of expert for a long period of time

In house courses: when a business organizes a training course done by their own staff/workers.

Off the job training:

It is conducted away from the normal workspace

- Lectures and conferences
- Vestibule training
- Simulators

Lectures and conferences: verbal and visual presentations for a large audience.

Vestibule training: employees trained in a prototype environment near the workspace

Simulators: specialized equipment that simulates the work environment as closely as possible. It can be virtual

(Unit 2.5) organizational structure and culture

An organizational culture is a culture that applies the set of values, attitudes, beliefs, and assumptions

- Organizational culture is also related to structure,

Twitter cultural clash

- Culture can be considered a hygiene factor in Hersbergs theory
- Toxic, workplace have been cited as a key element of cultural clash

Key elements of organizational culture:

- vision, mission, and values of organizational structure
- Practices
- History and narrative
- People

Handy' s Gods of management theory

Different types of cultures are needed for success in different types of businesses to succeed

- power Culture.
- Task culture
- Role culture
- Personal culture

A power culture involves an individual or a selected group of people to make decisions for the organization.

It involves:

- centralized decision making
- An autocratic leadership style

A role culture involves clear rules and hierarchies for the smooth operation of a company

It involves:

- multiple hierarchies
- Bureaucratic
- Slow decision making
- Referred to as a temple since it was firm, and constructed to last long.

A task culture includes supporting dynamic, innovative, and flexible companies that gives power to experts within a group.

It involves:

- a matrix structure
- Roles are Flexible in the business based off of task at hand
- Productive teamwork
- Used an image of a net to refer to it, since strength of a task lies in all its strands and connections

Existential culture relies on values of every person being an expert, and relies on experiences to operate the business

It involves:

- An employee centric company/ holocratic style
- It involves employees with similar backgrounds
- It involves expert opinions whom are on a similar level to managers, but are not

[Fredric Laloux: reinventing organizations](#)

The model suggests 5 different culture, which Laloux associated with levels and colors.

Each organizational culture is linked to a leadership style

Level 1: Red organizations

- highly power concentrated power in one or a few people
- Leaders maintain power through fear
- Very effective in chaotic environments
- Might be seen in gangs or mafia

Level 2: amber

- are like military organizations
- Have a strict hierarchy with roles and chain of command
- Good in stable and predictable environment, and crisis environment

- Examples include religious organizations

Level 3: Orange

- Are like machines
- Tend to be oriented on reward systems
- Also competitive and growth oriented
- Ex: large universities, and many large cooperations

Level 4: green

- are like families
- Motivate those in the organization by shared purpose and work on creating value
- Leaders serve employees and significant employee management
- Ex: for-profit and non profit organizations

Level 5: teal

- like living organisms that adapt and evolve over time
- Power decentralized
- Employees are self managed and people trusted to make significant decisions.
- Ex: holocracy

Cultural clashes

A cultural clash is when within a business more than one culture competes for dominance, and it results in conflict

- it is a hygiene factor
- Has significant impact on employees

Reasons for cultural clash:

- Internal and external growth
- Changes in leadership
- Multinational expansion

Internal and external growth:

- external growth more likely for cultural clash rather than internal
- External growth almost always results in clashes
- Workaholics may need to change to give away for a more work life balance.

Change in leadership:

- when a new leader with a different leader comes it can cause a clash
- Change could be the expectations, relationships, change in command, and decision making
- If change is too much employees might leave
- Ex: if a team is democratic and Changes to autocratic it is true

Multinational expansion:

- Benefits in terms of sales revenue, diversification, and economies of scale
- Risk of culture clash due to language barriers, working habits, relationships between employees, and ethical norms
- Ex: in Spain they make an allowance for a siesta time (sleep between 2-5pm)
- Japan prioritized quality over anything
- In the Middle East, they have to take a break during Ramadan

Hofstede's cultural dimensions:

- power distance index
- Uncertainty avoidance index
- Masculinity vs femininity
- Long term vs short term orientation
- Individualism vs collectivism

Power distance:

- the extent which inequality is tolerated and whether there is a strong sense of position status

Uncertainty avoidance:

- about the degree of tolerance that society has towards risk ambiguity
- Japan, Latin America and Mediterranean countries are more risk averse/take less risks
- Rules may be tighter and there is likely more hierarchy

Individual vs collectivism:

- whether the society values individuals or group more highly
- Individuals contribute are more competitive
- Collectivist contributes to the common good are valued and individualism is frowned upon

Masculinity vs femininity

- explains the values of group in terms of masculine values of Financial rewards, personal recognition, competition and the self.
- Feminine values of well-being, personal relations, nurturing and sharing.
- Might affect how common it is to provide flexible working conditions.

Long term vs short term orientation:

- is concentrated with different emphasis National cultures have on the time horizons for business planning, objectives and performance

- Some countries add greater emphasis on a short term performance, with financial and other rewards based on a period of a few months.
- Others take long term perspective, which encourages long term thinking.

Indulgence vs restraint:

- about the extent which society gives freedom to people to satisfy their basic human drives related to having fun.

Criticism of Hofstede's study

Although Hofstede's study offers a framework to consider cultural differences, there are many criticisms of his work.

- it originally involved IBM workers and studies criticizing the sampling methods of the surveys conducted

(Unit 2.6 communication)

Communication:

Communication is the transfer of information from one party to another. In businesses, it is the process of sharing information among all the internal stakeholders and external stakeholders.

- Important tool in getting work done effectively and increasing productivity levels
- Important tool to build trust and increase output and employee motivation.
- Internal and external communication
- Formal and informal communication

Formal communication:

spoken:

- telephone communication
- Meetings
- Presentations
- Interviews

Written:

- business letters
- Reports

Electronic:

- email
- Websites
- Social media
- Text messages
- Intranets
- Video conferencing

3 pathways for communication:

Vertical communication:

the organization communicates from the top of the hierarchy to the bottom in order, or from the bottom to the top

Horizontal or lateral communication:

Communication takes place between 2 employees working in different departments but have the same hierarchy level.

|

Diagonal communication:

Communication occurs between different hierarchy levels with different departments

Informal communication:

Informal communication flows freely in an organization, without defined channels

- Can take place between employees within the organization and is faster than communication
- Has no paperwork involved
- Happens on the spot

Types of description

Single strand chain

- one employee says something to another employee

Cluster chain

- a group of people gather to discuss matters

Probability chain

- one employee transferred information to a random person

Gossip chain:

- an employee says something to a group of employees, and the group spreads the message to others

Difference between formal & informal communication

- formal communication is usually more time consuming to communicate, then informal, which doesn't take time
- Formal communication has confidentiality, and documentation because it's designed by senior management, while informal does not have.
- Formal aims to achieve long term jobs.

(Unit 2.7)Employer and Employee relations

Ethics

- employee employer have an ethical component
- Employees have a moral duty to provide decent working conditions, fair pay and a safe working environment
- Employees have a moral duty to be loyal
Ex: pilots who train for years, expect high pays.

Negative consequences:

- poor reputation
- High labor turnover
- Disruption to operations

Sources of conflict in the workplace

Values

- attitudes towards diversity and inclusion
- Importance of mental and physical health

Communication

- an open transparent workplace communication, clarifies expectations
- The organizational structure and culture affects channels of communication between managers and employees

Power

- they may use coercion, threats and punishment to control other employees(mainly leadership styles)

- Workers might feel undetermined by centralized decision making, and feel like their voices aren't heard.

Insufficient resources

having the resources you need to do your job is important. However there are limited resources, but unlimited needs.

- leads to managers making decisions on essentials, in order to do their job
- Managers decision of resources may clash with employees perception of what they need. (Problems arise mainly here)

Perceptions

- people have different interpretations of decisions and events. As a result, conflicts occur
- Misperceptions can be fixed by having clear and open channels of communication
- Misperceptions mainly flair up in times of chance or during economic downturns

Change

- change can be stressful, and people respond to change in different ways
- Some staff find different style of working a challenge, which leads to tension between employee and manager
- Changes in internal business functions and external environment, may require adaptations from the business.

Performance

- appraisals are important sources of feedback on performance, however employees don't always like criticism
- When people do not perform their job in the right way, problems occur
- How situation is handled causes disruption in work environment

Inequity

- if workers aren't given fair chances for promotion
- In some industries, discrimination is inequity
- Perceptions of equity are motivational factors

Redundancies

- a recent merger may result in job losses
- Creates tension and hostility, which demotivates workers
- Redundancies can create a work culture defended by fear, and this causes conflict

Toxic work culture

- toxic or poisonous environment

- Poor decisions, tensions between co.,eagles and management, recent redundancies, bullying or discrimination, all lead to conflict

Approaches to conflict in workplace

Collective bargaining

- occurs through formal trade unions
- Collective bargaining is more difficult to implement in countries with lower union
- Benefits the workers to have more power
- Benefits the business by only having to negotiate with one group
- Disadvantage: you have collective responsibility

Industrial action

- is a form of protest that puts pressure on other party to resolve dispute
- Tends to escalate complicated situations

Work to rule

- employees work to minimum requirement
- Work to rule is when employees only work the minimum of your contract
- Might work extra 30minutes and the end of shift to fulfill order
- Creates a strict scenario where management cannot find fault with workers, which force's negotiation

Overtime-ban

- when workers refuse to work overtime work
- Powerful in manufacturing
- Poorer deliver of service
- During high demand, impact on customer service would be good

Strike

- when employee refuses to work.
- Law require to be informed before hand
- Strike action is the most disruptive form of industrial action

Conflict resolution:

Employee participation and industrial democracy:

- may have ownership over the means of production
- Have a seat on companies board
- Own shares
- Work in autonomous groups

No strike agreement:

- many unions include, did a no strike agreement in their contracts to combat negative publicity
- Are usually made once an agreement has been made with management.
- Ex: to keep pay in line with inflation, or to refer all disputes to an arbitration panel

Single union agreement:

- the employer only negotiates with a single labor union
- Minimizes disruption of multiple unions, as different unions have different objectives
- Single agreement represents all union workers, under 1 union

What if none of them worked?

Conciliation:

a third party acts as a go between and attempts to listen to demands of both sides, relay those demands to each side and each party, through negotiation, reach a compromise that is necessary to both parties.

Arbitration:

both parties agree beforehand that they will abide by the third party's decision. You can think of the arbitrator as someone who is acting like a judge, listening to both sides, weighing the evidence to eventually come to a decision

Method of resolution	Strengths	Weakness
Arbitration	It's cheaper and it is quicker than a battle in court. Parties have greater control over conflict resolution process. Arbitration selected by parties and will be someone with expertise	Final decision is made at the discretion of arbitrator, which may leave the room for bias. It is not possible to appeal the final decision.
Conciliation	Privacy of parties is preserved. Is normally a legal expert in the disputed area	No legal binding obligation to observe the agreements made. No guarantee that such action will result in favorable outcomes