

Employment Relations: Integrating Industrial Relations and Human Resource Management

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Abstract

Incorporating Human Resource Management policies within the regulatory and institutional framework that governs contemporary industrial relations has always been problematic. This paper details the nature and causes of this problem, noting the different conceptual and practical understandings that underpin each form of labour management when being applied in organisational settings. It then looks at a range of industrial relations realities confronting managers when trying to apply HRM practices, and how these practices might be accommodated within the context of such realities as a means of improving organisational effectiveness. In so doing it delineates four approaches an organisation might take in its relations with trade unions when bargaining and concluding labour contracts, and which of these are consistent and inconsistent with the coexistence of HRM and industrial relations practices. It then looks at the issue of workplace change involving trade unions and collective bargaining in terms of three categorical models – the management-driven model, the trade union gatekeeper model, and the management-union alliance model, the intention again being to show which are consistent and inconsistent with the coexistence of these different forms of labour management. The paper concludes by drawing on these conceptual models to outline the issues and policies that need to be considered when applying HRM practices within an industrial relations setting.

Key words: human resource management, industrial relations practices, trade unions, collective bargaining.

JEL Classification: M54.

Introduction

This paper examines the problems and possibilities of incorporating HRM practices within the regulatory framework that governs contemporary workplace relations. In so doing it details the debate surrounding the issue of integration and looks at various relationships organisations hold with trade unions. It also looks at the industrial relations realities confronting managers when trying to apply HRM practices, and how these might be accommodated as a means of improving organisational effectiveness. To these ends the content is broadly conceptual as a means of providing the analytical tools necessary to make sense of issues and developments in this area over time and space. It is furthermore focused on firms where collectively bargained agreements prevail and where trade union activity is part of the day-to-day management of labour and workplace relations. This focus does not, however, suggest that the content is entirely neglectful of firms where other forms of labour contract operate or where trade unionism is non-existent. These particular circumstances are sufficiently canvassed to help the reader situate the independent operation of HRM and industrial relations practices in a wider context, which in turn may be used as a basis for changing one form of labour management practice to another.

Contested ground

If employment relations is a definition that can be said to encapsulate both *HRM* and *industrial relations*, then it is first useful to disaggregate and define its two components. Thus:

‘HRM’ as a theoretical model involves the acquisition, development, remuneration, motivation and maintenance of an organisation’s workforce. Its functional activities are integrated, proactive

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and strategically orientated to the achievement of business objectives, and they include the organisational practices of human resource planning, job analysis and job design, recruitment and selection, training and career development, performance appraisal and management, compensation and benefits, health and safety and evaluation. Its orientations and activities are predicated on individualist and unitarist assumptions, and these assumptions deny the possibility of inherent conflict in workplace relations (Stone, 2002, pp. 13-14).

'Industrial relations' as a theoretical model involves the *rules* governing workplace relations and the *institutions* established to govern and enforce these rules. These 'rules' are represented in the terms and conditions of work set out collectively and individually agreed labour contracts and common law contracts, as well as grievance procedures, dispute settlement processes, statutory regulations, codes of conduct, industrial law, and similar. Their formulation is reached through practices such as negotiation, conciliation, arbitration, collective bargaining, individual bargaining, and their governance and enforcement are mediated through 'institutions' such as trade unions, employer associations, industrial tribunals, state-sponsored regulatory bodies and the civil courts. Its various orientations and activities are predicated on collectivist and pluralist assumptions, and these assumptions accept the possibility of inherent conflict in workplace relations (Gospel & Palmer, 1993, p. 3).

Although briefly described, the various practices, rules and institutions that fall under these definitions cover the ground we hold as constituting the 'employment relationship'. There are clear differences between their various emphases of workplace interest, such that it would not be hard to reach the conclusion that there are likely to be significant problems in trying meld them together. Indeed, on face value, the distinctions identified may even seem irreconcilable. One could conceivably choose one or the other as a guide to, or mode of, labour management practice, but not both. Much of the HRM literature reflects this problem, typically devoting one or two chapters to industrial relations institutions and rules without saying much about how these fit into its overall vision (see, for example: Stone, 2002). The industrial relations literature is similarly inclined, saying little about HRM programmes or how they might be expected to operate within the institutional machinery that regulate the rules of workplace relations (see, for example: Petzall, Abbott & Timo, 2003). What comment has been passed has typically regarded HRM as a threat to industrial relations, the assumption being that its *individualist* and *unitarist* orientations are inimicable to the *collectivist* rule-making processes and the *pluralist* institutions set up to govern such processes (see, for example: Hamberger, 1995). In other words, you can apply one (i.e. HRM) to replace the other (i.e., industrial relations), but you cannot have both.

From a theoretical point of view such an argument seems coherent. Industrial relations are based on the assumption that there is an ever-present potential for conflict between competing workplace groups, and therefore rules and institutions for its regulation are necessary. HRM, on the other hand, is based on the assumption that conflict is not an inherent part of workplace relations and therefore such rules and institutions are not needed. Indeed, from an HRM standpoint, they are often conceived to be the actual *cause* of conflict, such that their removal is fundamentally necessary for the proper operation of HRM practices. As a basis for action two competing claims flow from this rationale. The first is that the less pervasive are the rules and institutions of industrial relation, the more HRM practices will prosper to the benefit of all. Hence the action to be taken is to seek the reduction or elimination of such rules and institutions. The second is that the more properly HRM practices perform to the benefit of all, the less need there will be for the rules and institutions of industrial relations – the action in this instance being to persist with HRM practices until this end is achieved. Firms in the industrial west have generally followed one or the other of these advocacies, some lobbying government for measures to limit the powers and prerogatives of such things as trade unions and industrial tribunals, others introducing HRM practices as a means of weaning employees away from such things as collective agreements and union affiliation.

There are grounds for challenging the rationale underpinning both these claims. It is wrong, for example, to assume all workplace relations are marked by endemic conflict between competing

workplace interests. Most day-to-day experiences and relations between managers and employees, in fact, contain a goodly amount of *general* reciprocal interest in securing the survival of the organisations they work for. But it would be equally wrong to deny the ever-present potential for conflict between these groups over the *specifics* of work. How a job should be allocated, how intensely it should be performed and at what rate it should be remunerated are all areas that raise and sustain the potential for workplace conflict. This is because managers typically have more power than employees to determine such matters, and it is a power that will inevitably be contested from time to time, if not by the employees themselves than by trade unions, pressure groups or governments acting on their behalf. It is furthermore wrong to conceptualise HRM and industrial relations as being mutually exclusive. Many HRM problems (e.g., absenteeism), for example, are in fact manifestations of industrial conflict (e.g. a 'covert' form of industrial conflict), whilst many industrial relations problems (e.g. discrimination) are manifestations of failing HRM practices. The point to be made here is that the assumptions dividing HRM and industrial relations are not as clear-cut as theory would suggest, such that the rationale underpinning the claim that the two forms of labour management are inimitable is questionable.

Co-existence

This raises the possibility for their coexistence, an issue to which we now turn in the hope of relaying some understanding of how it might be conceptualised and applied. To this end we draw on a study by Fells (2003, pp. 104-16), which provides two useful analytical frameworks for this very purpose. The first delineates four approaches an organisation might take in its management-union relations. Looking at these approaches is a necessary first step, since the possible coexistence of HRM and industrial relations practices is very much predicated upon how an organisation chooses to relate with trade unions.

So stated, the first approach identified by Fells (2003) involves managing trade union relations externally by referring industrial relations issues to employer associations or labour lawyers, thus providing the organisation with representation in negotiations conducted with trade unions and on matters brought before industrial tribunals. The advantage of this approach is that management can draw on outside industrial relations expertise, which can be cost effective, particularly for small organisations. It also allows organisations to resist trade union demands by making reference to industry standards and tribunal decisions. The major disadvantage is that any settlements reached will be less tailored to the particular circumstances of the organisation, and they may also not get to the root cause of the issue in dispute. This approach broadly reflects management-union relations under the centrally negotiated collective bargaining system. It is antithetical to the possibility of HRM practices as the wages and conditions of work are externally determined and imposed on the organisation from 'outside'. In short, the 'on-the-job' co-existence of HRM and industrial relations practices is difficult to contemplate under this type of approach.

The second approach involves managing trade unions relations internally through a specialist department (e.g. HRM). In this case the organisation, through its specialist department, negotiates directly with trade unions and the bargaining agendas are more clearly defined in terms of the circumstances and needs of the organisation. The main advantages of this approach are that it raises the quality of management-union relations and ensures negotiated outcomes are fair and consistent with accepted practices across the organisation. It also allows organisations to approach the management of trade union relations in a proactive rather than reactive manner. The main disadvantage is that it can encourage the growth and influence of trade unions within the decisional processes of an organisation, such that securing industrial peace becomes a more important goal than achieving business objectives. This approach is broadly consistent with management-union relations that operate under union negotiated collective agreements concluded at the level of the enterprise. Because it is organisationally-centred, the practice of HRM within the limitations and expectations imposed by trade unions is therefore possible.

The third approach identified by Fells (2003) involves managing trade union relations internally through line managers. In this instance, line managers are given the responsibility for dealing with industrial relations issues, negotiating directly with trade unions and providing representation in the proceedings of industrial tribunals. They may call on advice from an internal specialist department or externally from an employer association or labour lawyer, but the ultimate responsibility for any outcomes resulting from such negotiations and representations rests with them. Because of the closeness of line managers to the source of industrial relations problems, one advantage of this approach is that it encourages the early resolution of industrial relations issues. It also encourages higher levels of communication and cooperation between management and workers, thus reducing the number of issues likely to lead to disputes. The main disadvantage is that it is prone to marginalize trade unions from the workplace, which can provoke them into actions against an organisation to promote or sustain their relevance. It also relies heavily on the competence of line managers to deal effectively with industrial relations issues, trade unions and industrial tribunals. As in the previous approach, this one is similarly consistent with management-union relations that involve union negotiated collective agreements negotiated at the enterprise level, and so the coexistence of HRM and industrial relations practices is similarly possible within the limitations and expectations imposed by the negotiating trade unions.

The final approach involves managing trade union relations, either externally through employer associations and labour lawyers and/or internally through line managers or specialist departments, but in this instance the aim is not to accommodate trade unions and industrial relations issues but to seek their elimination altogether from the workplace. To this end, it seeks to encourage employees away from trade union affiliation and thereby dispense with industrial relations issues by having line managers deal directly with employees on an individual and exclusive basis. It furthermore involves resisting or limiting workplace access to trade unions and strongly opposing their claims and demands in industrial tribunals. The main advantages and disadvantages of this approach extend upon those listed in the previous approach, the only difference being that the importance placed on the competency of line managers to deal with industrial relations issues, trade unions and industrial tribunals is dependent upon the success or otherwise of the approach. This approach is as organisationally centred as in the previous two approaches, but in this case it actively seeks to limit the role for trade unions in the settlement of workplace rules. It is therefore not possible to conceive of the coexistence of HRM and industrial relations under this approach.

Summing the key elements of these four approaches it could be argued that centrally bargained collective agreements are more consistent with the operation of industrial relations alone, that individually bargained agreements and common law contracts are more consistent with the operation of HRM alone, and that neither of these forms of labour contract is capable of supporting the genuine coexistence of HRM and industrial relations practices. The operation of collectively bargained agreements at the level of the enterprise, on the other hand, is consistent. These later agreements, the provisions of which are typically settled with reference to the operational circumstances of individual organisations, bring HRM interests and trade union bargaining agendas into closer alignment. In so doing they provide the opportunity for HRM practices to influence and orientate workplace relations in ways that contribute to the strategic direction of an organisation, rather than leaving them to be structured solely by the rules and institutions of centrally determined industrial relations. They furthermore provide the opportunity for industrial relations practices to be tailored to suit the particular circumstances confronting workers employed in different organisational settings and different occupational categories, at the same time securing their workplace well being and protecting them from the vagaries of managerial discretion.

Having set out four possible approaches an organisation can take in its relations with trade unions, Fells (2002) goes on to set out a second framework for conceptualising the role of trade unions in organisational labour management processes. Now a couple of modifications to the subject matter of Fells's (2003) study need to be made at this point for a true understanding of what is intended to be purveyed can be gained. First, the framework we are about to refer to is concerned with the process of change within organisations that have a trade union presence. For present purposes the

meaning of the word 'change' can be taken as being synonymous with the introduction and/or application of HRM practices designed to achieve some strategic goal (recall the definition outlined at the beginning of the first section). Second, the framework is also concerned with the 'role' trade unions play in the change process. In the following we hold this role to encapsulate everything trade unions do in terms of the earlier mentioned rules and institutions of industrial relations (recall again the definition outlined at the beginning of the first section). Neither of these modifications corrupt the meanings and understandings of the following framework described by Fells (2003), and are simply employed to demonstrate in a more accessible way how the coexistence of HRM and industrial relations might be conceptualised and applied.

So stated, Fells's (2003) framework for workplace change involving trade unions is divided into three categorical models: *management-driven*; *trade union as 'gatekeeper'*; and *management-union 'alliance'*. It is to each of these that we now turn.

The management-driven model

In the first of these models the trade union plays no formal role in the change process. In the *management dimension*, the desire to introduce change is determined by management and its feasibility is considered in relation to the expected responses of employees. Having determined what is feasible it then develops a plan to affect the change. In the *employee dimension* it settles on a broad strategy (i.e., either to force or foster change), and establishes processes and structures of consultation and persuasion as a means of overcoming employee resistance to the proposed change. The substantive outcomes expected of the change process refer the way work is performed and remunerated, whilst the relational outcomes refer to the altered relationship between managers and employees. Although the trade union is not included in this process it can nevertheless act upon it in a number of ways. It can strengthen employee resolve to resist the change by making them aware of what happened when a similar change was introduced elsewhere. It can also utilise its expertise to identify operational, financial and longer-term deficiencies associated with the change that employees are unaware of. In so doing, the incentives and levels of consultation and persuasion needed to elicit employee acceptance of the change will become greater, costing more, taking longer, and achieving less. What is left of the change process after these 'outside' influences is a change in relational outcomes and no guarantee of a change in substantive outcomes.

Trade union as 'gatekeeper' model

An alternative model is where the trade union is not external to the change process, but is instead formally recognised by management as having a legitimate role to play in representing the interests of employees. It can still be expected to strengthen employee resolve to resist the change and to utilise its expertise in identifying problems with the change. But being integrated into the change process draws it into the role of a 'gatekeeper'. By this it is meant that the trade union acts in a way that filters employee concerns to management about a proposed change, articulating what is possible and what is not in relation to those concerns. It also acts as a filter in the opposite direction, articulating to employees its own perspective of management's intentions in relation to the change. As to the change processes itself, in the *management dimension* the desire for change is once again the sole prerogative of management, but in this instance it determines the feasibility of the change by making reference to the expected response of the trade union. It then develops a plan, a structure and strategy (i.e. forced or fostered change) to affect the change. In the *employee dimension* consultation with employees no longer figures in the change process, and is instead replaced by processes of persuasion conducted in a management-union negotiating committee. Here the trade union negotiates in 'partnership' with management, with both sides offering incentives and resistances, demands and counter-demands, claims and counter-claims to affect the best possible result for their constituent needs in relation to the change. Once a settlement is reached, both sides are then expected to deliver on any commitments given and agreed upon. In so doing, the incentives and levels of persuasion needed to elicit employee acceptance of the change will be less than in the previous model, costing less, taking less time, and is more likely to be achieved. The end result is a more effective process of change, with the *workplace outcomes* being realised

on substantive and relational levels in accordance with the trade-offs agreed in negotiations within the management-union committee.

Management-Union alliance

The third model again sees the trade union formally integrated into the change process, but in this instance is involved much earlier. In the *management dimension* it is still the case that management is the key driver in determining the desirability of change, but its feasibility and planning are undertaken in consultation with the trade union. For its part the trade union can still be expected to articulate members' resistance to the plan, but its expertise and perspectives on the change can be used to shape the elements and expectations of the plan. Hence, rather than being regarded as an obstacle or filter through which the plan must pass, the trade union is viewed as offering a positive contribution to the plan. Employee consultation and persuasion reappear in the *employee dimension*, such that the change process now operates on two levels: one involving management and the trade union, the other involving management and the employees. The issue of trust is important here. The trade union will need to trust the intentions of management consultations with employees are not trying to undermine its role in the workplace, and management will need to trust the intentions of the trade union in fairly representing the views of employees. If this is sustained, a mutually beneficial 'alliance' between management and the trade union, and between management and the employees, over the elements of the plan and the processes by which it will be applied is possible. The end result is that change will be affected as expected by all parties on both relational and substantive levels.

In looking at these models, by definition the 'management driven' approach is inconsistent with the coexistence of HRM and industrial relations practices. Leaving a trade union outside the change process, or to put it in terms closer to the themes of the present discussion, leaving it outside the decisional processes involved in introducing and applying HRM practices, will leave the trade union with little option but to resist the introduction and application of the change. Thus, applying HRM practices will be contingent upon the ability to overcome this resistance, the outcome of which will largely depend on the balance of power each side can wield in the process. In this instance, it truly is a case of one set of practices prevailing over the other (i.e. HRM versus industrial relations) in the manner described in the early paragraphs of the last section, where the rules and institutions or industrial relations represent an *obstacle* to the implementation and operation of HRM practices. Although the model is inconsistent with the possibility of coexistence, it nonetheless provides a useful reference point for contrasting the other two approaches.

Here we find that the 'gatekeeper' and 'alliance' models are, in fact, consistent with the possibility of coexistent HRM and industrial relations practices, but, not surprisingly, they are consistent in different ways. The gatekeeper approach, for example, allows HRM practices to be undertaken via a *filtering* process involving negotiated trade-offs with trade unions. In short, the coexistence occurs via HRM operating within the limitations imposed by the rules and institutions of industrial relations. The alliance approach, however, uses trade union expertise and employee consultation proactively in the planning stages of HRM, thereby closing the gap between what is desirable and what is feasible, at the same time *co-opting* trade union and employee commitment to the success of the plan. In short, the coexistence occurs via HRM practices conscripting the rules and institutions of industrial relations to service the achievement of organisational objectives.

Table 1 summarises the 'conditions' identified in the above as necessary for the coexistence of HRM and industrial relations practices. As a cautionary note, you should read its contents with a mind that it is a broad conceptual devise aimed delimiting in the simplest possible way the disconnected facts that make up the practical problems and prospects of integrating the two practices. In other words there will always be exceptions, indeed some sizable, to the inferred 'rules-of thumb' listed under the various categories. Omitted, for example, is any reference to statutory minimum requirements and common law obligations (as well as their overseeing bodies), both of which could also be considered as part of the rules and regulations of industrial relations that form a backdrop to those that more directly involve trade unions and industrial tribunals.

Table 1

Conditions for coexistence

| Possibility of Coexistence | Management of trade union relations | Operable labour contract | Union involvement in labour management | Arena of activity |
|----------------------------|--|--|--|-------------------|
| No (IR alone) | Undertaken by employer associations or labour lawyers | centrally determined labour contracts | 'management directed': union excluded from organisational decision processes | External |
| Yes (HRM & IR) | Undertaken by specialist department or line management | enterprise level labour contracts | 'gatekeeper' or 'alliance' | Internal |
| No (HRM alone) | Undertaken by specialist department or line management | individually determined labour contracts | 'management directed': union excluded from organisational decision processes | Internal |

Applying HRM practices within an industrial relations setting

In this closing section we propose to draw on the preceding discussion to outline things that need to be considered when applying HRM practices within an industrial relations setting. In so doing we offer a *general* appraisal that is capable of embracing all three of Fells's (2003) models, and assume (as a reference point against which other possibilities might be conceived or applied) that HRM practices are operating or intended.

Thus, consistent with the processes of a model HRM programme (see above) the initial stage of implementation will rely on senior managers coming together to settle on the strategic objectives and goals of the organisation. In so doing they will need to assess and analyse the available information to determine a corporate plan on how these objectives and goals might be achieved in the most effective and efficient manner. The settlement of these issues will typically have ramifications for the management of the organisation's employees. To pursue the corporate plan, for example, the organisation may need to recruit additional employees or lay-off existing employees. It may alternatively require the importation of new skills, the upgrading of existing skills, the introduction of new forms of performance appraisal, the application of new or innovative methods of remuneration, or some other alteration that changes the existing pattern of work and employment. Whatever the case, it will (or should ideally) be the responsibility of HRM (or those in charge of this function) to develop the *employee* and *management dimensions* of the corporate plan in a manner consistent with meeting the strategic goals and objectives of the organisation.

Developing such 'dimensions' where trade unions are active and working arrangements are subject to collective agreements will necessitate the settlement of some form of industrial relations policy. Such a policy will need to reflect the organisation's approach to industrial relations (i.e., management driven, gatekeeper or alliance) and provide a reference point for decision-making. It should be consistent with the achievement of the organisation's strategic goals and objectives and provide employees with a measure of managerial accountability, particularly where consultations with employees and/or negotiations with trade unions are provided for. The policy should ideally cover a range of HRM issues likely to lend substance to these ends, but at the very least it should deal with the following issues:

- ◆ *Attitude toward trade unions*: whether the organisation will recognise the legitimate right of trade unions to represent workers (alliance), or whether such a right will be merely tolerated (gatekeeper) or resisted (management directed).
- ◆ *Structure of trade union representation*: whether the organisation will encourage multi-union or single union representation of its employees (alliance and gatekeeper), or whether it will discourage all forms of representation (management directed).

- ♦ *Negotiation*: whether the organisation will negotiate with trade union, on what issues, and at what stage in the planning process (pre-emptively in the case of an alliance strategy, post-operatively in the case of a gatekeeper strategy, or not at all in the case of a management directed strategy).
- ♦ *Consultation*: whether the organisation will consult with employees in addition to negotiating with trade unions (alliance), or conducted with employees alone (management directed), or not at all (gatekeeper).
- ♦ *Dispute settlement*: how the organisation expects industrial disputes will be resolved, either through a combination of negotiations with trade unions and consultation with employees (alliance), or through negotiation with trade unions and/or shop stewards alone (gatekeeper), or through consultation with employees alone (management-directed).
- ♦ *Grievance Procedures*: how the organisation expects grievance procedures to be followed, and whether this will involve trade unions and employees (alliance), or trade unions alone (gatekeeper), or employees alone (management-directed).
- ♦ *Responsibility*: who in the organisation will be responsible for industrial relations issues, whether external agencies in the form of employer associations and labour lawyers (management directed), or internally in the form of specialist departments and/or line managers (management directed, gate keeper and alliance).

Having settled the company's approach to industrial relations, the managers of the HRM function will be in a position to consider the implications of applying practices or changing working arrangements to achieve the organisation's strategic goals and objectives. Thus, if the company is seeking to multi-skill its workforce as part of a programme designed to achieve this aim, it will certainly need to discuss the proposal with its employees. Depending on the industrial relations approach adopted, it may or may not be decided to discuss the proposals with trade union representatives, as well as to take account of any provisions contained in collectively bargained agreements (e.g., job classifications, remuneration, skill development, and so on). The company will furthermore need to evaluate the legal requirements pertaining to such things as occupational health and safety and equal employment opportunity in determining training needs and its allocation among the workforce. A general elaboration of issues and policies that might need to be considered as they apply to a range of HRM practices is laid out in Table 2.

Table 2

Industrial relations considerations of the HRM function

| HRM activity | Industrial relations considerations |
|--------------|--|
| Planning | Will a trade union and/or employee representative or representatives be involved in the formulation of HRM plans? Will the plan be subject to revision or modification after negotiation with a trade union, or the subject of revision after consultation with employees? |
| Recruitment | Does seniority or merit apply in the case of the position to be filled? Are there provisions contained in management-union agreements that apply to the position being filled? Are there provisions contained in management-union agreements that apply to internal versus external recruitment? |
| Selection | Will preference be given to members of the trade union, or will this be a non-issue? Will there be a trade union and/or employee representatives on the selection committee? Will trade union membership be important in the selection process (mindful that it is against the law to discriminate potential employees on the basis of their union affiliation)? |

Tabel 2 (continuous)

| HRM activity | Industrial relations considerations |
|--------------------------------|--|
| Performance appraisal | <p>Are there provisions contained in management-union agreements that need to be considered during the appraisal process?</p> <p>Is there a management-union agreement on disciplinary procedures for non-performance?</p> <p>Is there a management-union agreement on grievance procedures should employees see the appraisal as being unfair?</p> <p>Should a trade union and/or employee representative be part of the appraisal process?</p> |
| Training and development | <p>Is the trade union and/or employee representative to be consulted on training programmes?</p> <p>Are there provisions contained management-union agreements on skill development and training programmes?</p> <p>Are there provisions contained in management-union agreements on study leave?</p> |
| Occupational Health and Safety | <p>Will a trade union and/or employee representative be involved in evaluating occupational health and safety standards and practices?</p> <p>Is the occupational health and safety committee operating effectively from an industrial relations and legal point of view?</p> |
| Remuneration management | <p>Are there provisions contained in management-union agreements that refer to occupational standards of payment?</p> <p>Will a trade union and/or employee be involved in any job evaluation and skills auditing exercises?</p> <p>What is the most appropriate form of management-union agreement for the purposes of remuneration?</p> |
| Equal opportunity | <p>Will a trade union and/or employee representative be consulted on equal opportunity policies and 'work programs' to be submitted to the Equal Opportunity for Women in the Workplace Agency?</p> <p>Will a trade union and/or employee representative be involved in the preparation of 'work program' reports?</p> |

Source: (Adapted from) Alexander & Lewer (1995, p. 26).

Bearing these considerations in mind the HRM team will need to show a considerable degree of lateral thinking and tact if it is to push through its agenda whilst retaining the trust and confidence of the workforce (i.e., employees only under the union directed model) and/or those with whom it is negotiating (i.e., trade unions only under the gatekeeper model and employees and trade unions under the alliance model). If endemic workplace conflict and collective bargaining between workers and management have long histories in the organisation, and if the trade unions covering the workforce are well organised and militant, then this will be no easy task. Indeed trying to apply a full HRM programme unilaterally (i.e., management directed) may even prove counter-productive. The alternative to such circumstances only serves to highlight the importance of negotiation and consultation, whether in the application stages of a HRM programme (i.e., gate keeper) and/or in the planning stages of the programme (i.e., alliance). Appropriate structures and processes therefore need to be put place to facilitate these activities, and are necessary preconditions if HRM outcomes within an industrial relations setting are to achieve any likely success. Managers need to be skilled in the art of negotiation and consultation, and thereby recognise that the likely implementation of a theoretically pristine HRM programme in is unlikely to be achieved. They must also have appropriate levels of authority to make decisions and deliver on commitments given in negotiations with trade unions and consultations with employees. And they must also have access to relevant sources of information, whether this is from internal specialist departments or external agencies of expertise (e.g., employer associations or labour lawyers).

Once an HRM programme has been implemented, in whatever form (i.e., management directed, gatekeeper or alliance), the question remains as to whether its operation under the chosen industrial relations strategy has been successful. In this respect the accountability of management requires the establishment of industrial relations indicators, which can take the form of information

on absenteeism rates, labour turnover rates, monthly calculations of the number of strikes, stop-work meetings and grievance meetings, and the resultant lost time associated with each.

Conclusion

There is still much debate how HRM and industrial relations practices might be integrated and implemented. What cannot be denied is that the former have become increasingly widespread as a way of soliciting the commitment and support of employees towards organisational goals and objectives. Based on explicitly individualist and unitarist ideals, HRM has called into question the assumptions of inherent conflict and divergent interests in employment relations. One expected outcome of its adoption – sometimes made explicit, but as often not – is that its application will serve to displace or downgrade the role of trade unions in the workplace. Many industrial relations writers have criticised this purpose, arguing that it merely leaves workers open to more surreptitious and potentially more exploitative forms of managerial control (see, for example: Brown, 1994). Others, however, have suggested that there are elements of the HRM agenda that overlap those of industrial relations agendas (see, for example: Storey, 1992). The content of the present paper is supportive of this latter interpretation, not least because the recent experience has seen growing numbers of managers and trade unions demonstrating a willingness to explore new and more innovative ways by which individual appraisals and goal-setting procedures, as well as more open systems of communication and remuneration, might be negotiated and incorporated within collective bargaining frameworks.

One should not, however, overstate the extent to which coexistent HRM industrial relations practices are being presently applied. Managerial approaches to trade unions and industrial relations, for the most part, still appear to be very much cautionary in a manner consistent with the Fells's (2003) 'gatekeeper' thesis. Except for a few isolated cases there is little evidence that they have entirely abandoned pluralism in favour of a wholehearted commitment to the individualism of model HRM programmes. The tendency has instead been to accept the existing industrial relations machinery whilst experimenting with policies and practices that signal a departure towards new priorities and new ideas in the management of labour. Trade union officials have broadly accepted these moves and the messages embodied in the HRM imagery, even if many still see in it as a more surreptitious form of labour control and exploitation. Whatever the present predilections held by the two sides of industry it is clear that the rules and institutions of industrial relations will continue to persist in some form or another, as will the desire on the part of organisations to implement evermore sophisticated HRM programmes. The present contextual circumstances that surround employees' experiences and managers' expectations of work and employment will see to this. Melding these two forms of labour management practice will thus remain problematic for the foreseeable, but only to the extent that both sides of industry remain fixated by the merits of one form of labour management practice over the other. Recognising the problem this involves is at least a first step towards its resolutions, one then looks to the possibilities of coexistent practices occurring within 'employment relations' systems that are capable of accommodating both the regulatory realities of industrial relations and managerial efforts to improve the organisational effectiveness of those on their charge.

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