



Background to Employment Relations

Matching

Definitions	Terms
The major employer organisation in Australia	Australian Chamber of Commerce and Industry
The major employee organisation in Australia	Australian Council of Trade Unions
The proportion of the working age population in the labour force	Participation rate
The main Commonwealth legislation governing the workplace	Workplace Relations Amendment (Work Choices) Act 2005 (Cwth)
The Commonwealth law which is used to enforce equal employment opportunity	Human Rights and Equal Opportunity Commission Act 1986 (Cwth)
Changes in the level of economic activity that have the phases of boom, downswing, recession and expansion	Economic cycle
A management structure, popular in the era of new organisational influences which has a shorter chain of command and wider spans of control	Flat management structure
The influences on employment relations dealing with changing work patterns and population shifts	Social influences
The influences on employment relations dealing with changing legislation	Legal influences
What happens to a business when it eliminates non-core functions, usually by outsourcing	Downsizing

True or False

- | | | |
|----------|----------|-----------|
| 1. False | 5. False | 9. True |
| 2. False | 6. True | 10. False |
| 3. False | 7. False | |
| 4. True | 8. True | |

Multiple Choice

- 1 C Stakeholders in the employment relations process
- 2 D Stakeholders in the employment relations process
- 3 C Stakeholders in the employment relations process
- 4 B Stakeholders in the employment relations process
- 5 B Managing the employment relations function
- 6 B Stakeholders in the employment relations process
- 7 A Stakeholders in the employment relations process
- 8 D Managing the employment relations function
- 9 C New organisational behavioural influences
- 10 A Social influences
- 11 D Legal influences
- 12 C Economic influences
- 13 D New organisational behavioural influences
- 14 D Economic influences
- 15 C Social influences

Short Answer Questions

Question 1

- (a) Employment relations covers the areas of industrial relations and human resource management and involves the relationship between employer and employee in terms of the employment contract and the management of the workforce in terms of acquisition, development, motivation, maintenance and separation.
- (b) Employees are the key players in the production process. When they are hired by a business they enter into an employment contract with the employer and they must agree to keep to the terms of the contract. This involves following the instructions of the employer in the production process. Employees are influenced in their work by their employers, their colleagues who may be members of unions and the government.

Unions are organisations of workers who belong to a particular industry. Unions were formed to secure better working conditions and pay for their members. Although union membership has declined in recent years the work of unions has become very significant in representing their members in pay disputes and opposing the Federal Government's Work Choices legislation.
- (c) Workplace conflict will usually occur when there is a considerable difference between the objectives of employees compared to their employers. Conflict will arise usually because of a dispute over wages or working conditions. In recent times the Federal Government's controversial Work Choices legislation has been a source of conflict between the union movement in general and the government and employers in general, but few employees are willing to act on their own behalf against an employer for fear of dismissal. If workers are in an industry which comes under the terms of the legislation, it is likely that they will keep to the contract established in the workplace agreement.

- (d) Specialist human resource managers (HRM) are trained to deal with workplace situations involving problems that arise between employees and employers. In this case one of the problems involves providing employees with appropriate training to operate new machinery. Training and development are part of the specialist HRM function and if Moody had specialist HRM there would probably have not problem. Part of the problem in this case is that the line managers who have their own functions and responsibilities have picked up employment relations management as additional jobs. The business would benefit from the employment of a specialist HRM.

Question 2

- (a) Unions represent their members in negotiations with their employers. These negotiations will involve disputes that arise over pay, working conditions and occupational health and safety. Occasionally, there will be disputes between the union movement and the government over issues which affect the whole trade union movement. At present there is a determined campaign by the union movement against the government's Work Choices laws which are having a significant impact on pay and conditions for many workers.
- (b) One reason for the decline in union membership has been the increase in positions where workers have hired under a contract for service making an increasing number of workers into contractors. This has partly been due to the increase in part-time and casual positions. Generally, contractors are not part of a union but work independently. Another reason for the decline in union membership is the improvement in pay and conditions over the last ten years due to improvements in the economy and increased legislation concerning union involvement in employment relations. Many workers are viewing the role of unions as irrelevant when times are good.
- (c) One reason involves the need for many families to earn two incomes. In many cases it will be women returning to the work force after child-rearing who will seek a part-time position because the hours suit both the need to earn an income and the work of managing a family.

Many employers are finding that it gives them more flexibility to turn one full-time position into two (or more) part-time positions. There is also a push from workers for permanent part-time work.

- (d) With the increase in part-time and casual work, there has been a problem for employers in the Human Resource Management (HRM) field to keep up with appropriate levels of training and development as well as induction programs. There is also a problem with maintaining continuity in the production process. Balanced against this is the flexibility that employers now find with their work force, especially when there are fewer on-costs associated with employing casual labour.

Employees have generally welcomed the trend towards part-time and casual work because it allows them to earn an income and keep up with family responsibilities. Many employees would prefer part-time to casual work because of the extra security and benefits that part-time employment gives.

Question 3

- (a) One skill the managers of Get-Square would need is people skills. These would be necessary when communicating and negotiating with the employees' union.

Another skill the managers of Get-Square would need is the skill of being flexible and adaptable to change so that they are able to develop a vision for the future. This is important because the business is going through great change (i.e. global expansion). Once this vision is developed they would be able to redirect other people in the business towards the new vision and changed goals.

- (b) A flat management structure occurs when a business removes middle levels of management, shortens the chain of command and widens the span of control. Top management now communicates directly with workers who would now probably be organised in work teams.
- (c) When the economy is in the upswing or is booming, employment relations can become difficult as the unemployment level falls. Workers are able to negotiate better wages and conditions because labour is relatively scarce. Conversely, when the economy is in recession and unemployment is rising, employment relations are more stable because workers have less bargaining power and are more likely to accept what is offered in terms of wages and conditions from employers.
- (d) One impact of globalisation has been job losses in the domestic market as businesses decide to relocate overseas, outsource or cease operations. These job losses have had repercussions for employment relations because of the separation process and industrial conflict caused because of the downsizing.

Globalisation has also contributed to job growth in the domestic economy, especially in the tourism, information and communications technology, education and health services industries. With this job growth has been the need to embrace the employment relations functions of induction, training maintenance and separation as well as managing conflict. One impact this jobs growth due to globalisation has had has been the increasing trend for businesses to employ people as contractors rather than as employees.