

# 13 Managing Conflict in the Workplace

## Matching

Definitions	Terms
An employment contract that outlines the minimum set of wages and working conditions for employees in a given industry	Industrial Award
A form of industrial action where employees refuse to work	Strike
When employees take unexplained leave in order to express their dissatisfaction with management	Absenteeism
A body that represents employees in negotiations with employers	Trade union
When employees damage equipment or do not perform necessary tasks in the production process in order to disrupt the business	Sabotage
A form of industrial action in which employees attempt to prevent other workers or suppliers from entering a workplace	Picket
When employees refuse to perform any tasks not in the terms of their employment contract	Work-to-rule
A set of rules or guidelines for businesses and employees to follow if an industrial dispute occurs	Grievance procedure
A policy of providing access to employment, promotion and training to all individuals regardless of their personal characteristics	Equal Employment Opportunity
When a business physically prevents its employees from entering the workplace	Lockout

## True or False

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

## Multiple Choice

- 1 B Types of industrial action
- 2 A Perspectives on conflict
- 3 A Types of industrial action
- 4 A Dispute resolution processes
- 5 A Costs and benefits of industrial conflict
- 6 C Causes of industrial action
- 7 D Types of industrial action
- 8 B Types of industrial action
- 9 A Dispute resolution processes
- 10 D Costs and benefits of industrial conflict
- 11 A Perspectives on conflict
- 12 D Dispute resolution processes
- 13 B Dispute resolution processes
- 14 B Types of industrial action
- 15 B Roles of stakeholders in resolving disputes
- 16 C Issues in the workplace
- 17 A Issues in the workplace
- 18 C Issues in the workplace
- 19 B Issues in the workplace
- 20 D Issues in the workplace

## Short Answer Questions

### Question 1

- (a) Two reasons for employees taking industrial action are low wages. The employees may feel that they are being paid lower than employees in similar occupations. A second reason is the proposal to lengthen working hours, which would be a deterioration of working conditions.
- (b) One financial reward would be to increase employees' wages. This may involve negotiation about new work practices, longer hours and overtime bonuses, but higher wages could reduce further conflict. Perhaps one non-financial reward which could help this situation would be the introduction of a salary sacrifice scheme where employees could sacrifice pre-tax earnings into some benefit like leasing a car or superannuation. This would reduce employees' tax burdens.
- (c) One social cost could be increased stress where a prolonged industrial conflict causes workers to worry about their future and their families or there are arguments at home. These arguments could result from no pay coming into the household if there is a strike or a lockout. This is one financial cost of conflict.

- (d) Grievance procedures could have avoided the work to rule campaign if there had been discussions between the employees and supervisors when there was a grievance about low wages. Union representatives could have been involved and discussions could have taken place between the union and top management. If this had not resolved the grievance, the dispute could be listed for conciliation or arbitration.

### Question 2

- (a) One form of dispute resolution which was tried was negotiation where someone from outside the business tried to negotiate between the disputing parties to see if they could reach an agreement. When this didn't work, the matter proceeded to arbitration. The dispute was heard by the Australian Industrial Relations Commission, (AIRC) which has the power to resolve disputes by making decisions which are legally binding on both parties.
- (b) One characteristic of this perspective is the belief that there is a common interest between employers and employees. An example of this is that the employer is interested in the employees working to produce output. The employees are interested in working to earn money. Another characteristic is that it usually works in an environment of good communications and rewards systems.
- (c) Under the current Work Choices legislation the AIRC has a limited role compared to the previous framework. The legislation prefers the use of alternative dispute resolution mechanisms outside the court, but disputes can be referred to the AIRC for mediation rather than arbitration and the court will help the parties to reach their own settlement.
- (d) One strategy would be adopting an effective grievance procedure. If the manager had been willing to discuss the problem with the workers, the two week strike could have been avoided.

The business could also have tried a worker participation approach which would have elevated the status of the workers by the business recognising their needs to make decisions within an agreed framework and to be more independent in their workplace operation.

### Question 3

- (a) Equal Employment Opportunities (EEO) is a concept which promotes equality of opportunity for all groups in society in the workplace. EEO aims to prevent discrimination in employment against people on the basis of gender, race or ethnicity, disability, age or sexual preference
- (b) One overt form of action the workers could take is to go on strike. In this case the workers would withdraw their labour and thus disrupt production. From the workers point of view this would continue until the business reversed this decision.

Covert action that the employees could take is absenteeism. Workers could take turns at using their sick leave by taking "sickies" to disrupt production until the business changed its mind.

- (c) If this business is located in NSW it would come under the Anti-Discrimination Act 1977(NSW) which makes it illegal to discriminate in employment on the basis of age. In this case the workers over the age of 35 who have been sacked can initiate legal action in the NSW Industrial Relations Commission to have their employment restored and/or seek compensation. One outcome might be that they will only receive compensation and not get their jobs back.

The workers could have also taken this instance of denial of equal opportunity to the Federal Human Rights and Equal Opportunity Commission for arbitration.

- (d) Had there been a workable grievance procedure in place in the business the threat of industrial action may not have occurred. Perhaps the management might have discussed the possibility of replacing older workers with younger workers and this would have created an employee grievance, which could have easily been resolved through open discussion and negotiation. Perhaps the involvement of the union would convince the business not to take this action as it was illegal. By implementing a workable grievance procedure problems like this one will be avoided in the future.