



Addis Ababa University

School of Commerce

ASSESSMENT ON EMPLOYEE REALTION, THE CASE OF ABYISSINA
BANK,THREE DISTRICS IN ADDIS ABABA

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Declaration

I, the undersigned, declare that this study project is my original work. All materials used in the study endeavor have been properly acknowledged. I further confirm that the research project has not been submitted to any other higher learning institution, in part or in whole, with the intention of receiving a degree.

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Name	Signature	Date

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Abstract

For the attainment of organizational goals and objectives, the prevalence of good employee relations between management and employees is critical. Labor unions play a critical role in improving workplace harmony and cooperation. The function of labor unions in the Bank of Abyssinia is examined in this paper. Using a descriptive research design, the major goal of this study was to assess the role of labor unions in employment relations in BOA. Both qualitative and quantitative research methodologies were used in this study. The study relied on a questionnaire and interviews. 256 questionnaires were issued to conduct sample surveys. Both open-ended and closed-ended questionnaires were included in the study. A total of 250 of the 256 questionnaires were returned, yielding a 97% response rate. An interview was conducted to collect qualitative data with union and management representatives. The descriptive analysis of the study indicates that most members disagree with the union's ability to play its role in employee relations. The role of the union in collective agreement negotiation and its practices; in employee participation individually and collectively; in grievance and dispute handling; in members' communication and voice being heard; in developing industrial democracy; and in teaching organization employees to stand for their rights was insignificant. On the other hand, the finding also shows that despite the fact that the real role of the union was not significant in protecting members' benefits, they were perceived positively by the members. The other major finding was that the management was not willing to work in partnership with the labor union. Based on this, the researcher draws some recommendations. So as to revitalize the union, leaders working time should be improved from the current one day in a month to if possible full time or at least two days in a week, it should strengthen its structure at district and branch levels and provide capacity-building to union executives. The union should respect its rules and conduct a meeting with its members at least once a year and have a periodical that serves as a medium of communication. The union should encourage members to discuss problems with their immediate boss and forward unsolved problems to the union. The union should educate members about the benefits of being a member so that it can increase its membership. So as to resolve problems with the management, the union should organize a platform, if possible, by themselves or with the help of a third party, for an open discussion that will bring a paradigm shift in labor union and management relationships so that they will work in a partnership.

Key words: labor union, employee relations, conflict resolution, participation, collective agreement, industrial democracy,

Table of Contents

Declaration.....	i
Endorsement	ii
Acknowledgments.....	iii
Abstract.....	iv
List of Tables	v
List of Acronyms	viii
List of Figures.....	ix
CHAPTER ONE	1
1. Introduction.....	
1.2.Background of the company	1
1.2.Company Profile	2
1.3.Statement of the Problem	4
1.4.Research question.....	6
1.5.Objective of the study	7
1.5.1.General Objective	7
1.5.2.Specific objectives	7
1.6.Significance of the Study	7
1.7.Scope the study.....	7
1.8.Limitation of the study	8
1.9.Definition of Terms	8
1.10.Organization of the Paper.....	9
CHAPTER TWO	
2.1.Review of Related Literature Review	11

2.1.1 Therotical Literature Review	11
2.1.1.1.The concept of Employee Relation	11
2.1.2.Psychological contract.....	12
2.1.3.Parties in Employee Relation	13
2.1.4.Elements of Employee Relations.....	14
2.1.5.Employee Relation Strategy	15
2.1.5.1.Employee Relations strategy defined	15
2.1.5.2.Employee relation policies	15
2.2.Labor Union	16
2.2.1.The concept of Labor Union	16
2.2.2.History of Labor Union	17
2.2.3.Why Employees Join union?	18
2.2.3.Employee Relative Perspective.....	19
2.2.5.The Role of labor unions.....	20
2.2.6. Labor and Management Partnership	22
2.3.Grievance and Dispute Handling	23
2.4.The Concept of Collective agreement.....	25
2.4.1.Collective Agreement.....	25
2.4.2.Collective Bargaining.....	25
2.4.3.Collective Agreement and Management and Union Partnership	26
2.5.Industrial Democracy and Employees Participation	27
2.5.1.The Concept of Industrial Democracy	27
2.5.2.Employee Recognition, Participation & Involvement	28

2.5.3.Employee Voice	29
2.1.2 Empirical Literature Review.....	30
CHAPTER THREE	32
3.Research Methodology.....	32
3.2.Research Approach	32
3.1.Research Design.....	33
3.3.Population and Sampling Techniques.....	33
3.3.1.Population.....	33
3.3.2.Sampling Techniques	34
3.4.Types of Data and Instrument of Data Collection.....	35
3.5.Procedures of Data Collection.....	36
3.6.Method of Data Analysis	37
3.7.Ethical Consideration	37
3.8.Reliability and Validity	38
3.8.1.Reliability Test	38
CHAPTER FOUR.....	41
4.Results and Discussion.....	41
4.1.Analysis of Demographic Variables	41
4.2.Descriptive Analysis of the Study Variables.....	44
4.2.1.Descriptive Analysis on Role of labor union in protection benefits of its members.....	46
4.2.2.Descriptive Analysis on Opinion towards role labour union Dispute and Grievance Handling.	49
4.2.3.Descriptive Analysis on role labour union Employee participation	51

4.2.4.Descriptive Analysis on Overall Attitude towards role of labour union in Communication & Employees Voice	52
4.2.5.Descriptive Analysis towards Opinion regarding why employee join union.....	54
4.2.6.Descriptive Analysis towards Opinion regarding why employees would not want to join a union	56
4.2.7.Descriptive Analysis on Employees opinion onrole of labour union towards good employee relation	58
4.3.Review of Ideas from Open Ended Questionnaires	63
CHAPTER FIVE	64
5.Summary, Conclusions and Recommendations	63
5.1Summary of Major Findings	64
5.2.Conclusions	71
5.3.Recommendations	71
5.4.Suggestions for further study	74
Referencies	
Appendix 1. Questionnaire	
Appendix 2. Interview Questions	
Appendix 3. Management Representative Interview	
Appendix 4. Labor Union representative Interview	

LIST OF TABLES

Table 3. 1: Reliability of the Survey Questionnaire	39
Table 4. 1: Demographic Background of Respondents	41
Table 4. 2: Five-Scaled Likert Criterion	45
Table 4.3: Descriptive Statistics on Role of labor union in Collective Agreement Negotiation & Implmentation	46
Table 4.4: Descriptive Statistics on Opinion towards Dispute and Grievance Handling.	49
Table 4.5: Descriptive Statistics on Opinion towards Employees Participation.	51
Table 4.6 : Descriptive Analysis on Overall Attitude towards Communication & Employees Voice	52
Table 4.7 : Descriptive Statistics on Opinion regarding why employee join union	54
Table 4.8 : Descriptive Statistics on Opinion regarding why employees would not want to join a union	56
Table 4.9: Descriptive Statistics on Role of labor union in protection Benefits of its Members..	58
Table 4.10: Descriptive Statistics on Employees opinion towards Promoting Industrial Democracy	59
Table 4. 11: Descriptive Statistics on Employees opinion towards good Employee Relation	61

List of Acronyms

BOA – Bank of Abyssinia

CETU- Confederation of Ethiopian Trade Union

FDRE- Ethiopian Federal Republic Ethiopia

ILO – International Labor Organization

CHAPTER ONE:

1. INTRODUCTION

1.1. Background of the study

Nowadays, in an environment where there is stiff competition, especially in the banking industry, organizations are expected to handle their manpower properly by adopting proper employee relations and human resource policies and practices.

Establishing good employment relations demands reducing conflict and confrontation by adopting participative and mutually respecting employment relationships that will advance cooperation, enhance productivity, and promote trust. It needs the involvement of managers, employees, and the government. It encompasses employees' empowerment, participation, and representation in all spheres of employee and employer relations; collective bargaining; compliant handling; job design; workplace reform and training and development; and the provision of different types of rewards. According to a scholar named Torrington, employee relations are responsible for preventing conflict and ensuring that a harmonious working environment is facilitated (Torrington, 2005).

The term employee relations encompass that of industrial relations, which are about relationships between management and trade unions involving collective agreements, collective bargaining, dispute resolution and dealing with issues concerning the employment and working environment. Employee relations refer to relations that exist in both unionized and nonunionized workplaces. Employers hope to manage employee relations successfully with each respective individual as a means to raise morale and productivity. Employee relation is a concept that is being preferred over the older industrial relations because of the realization that there is much more at the work place than industrial relations could look (Michel Armstrong & Stephen Taylor, 2000).

In this regard, labor unions play a pivotal role in participation, representation, and conducting collective agreements that include the points in industrial relations, i.e., better benefit packages, working conditions, and job security. In addition, trade unions have their own contribution to employee commitment, engagement, productivity, workplace harmony, and worker discipline (Otobo, 1986).

A labor union is defined as "the voluntary association of workers to promote and protect their interests by collective endeavor and constitute an integral part of the relationship between employees and employers." In the last few decades' union membership has been declining in many developing countries. However, they continue to play an important role, particularly in collective bargaining negotiations and other areas of employee relations. (Akteruzzaman, 2006).

Some saw labor unionism as an intrusion into the smooth operation of organizations, not realizing the positive contribution it could make to industrial peace, harmony, and progress. Employers allege that labor unions only talk about workers' rights and ignore their obligations. They believe that unions are largely responsible for low productivity and lower production (Ghayur 1996).

But labor unions play an important role for both employees and employers, and even for the government in many respects. It tries to create health and welfare benefits since, since the early times, union organizations were established for the provision of health and welfare benefits, and later on, they became engaged in bargaining with employers over wages. The basic business of labor unions is to organize, strive for fair terms and conditions of work, negotiate on behalf of the workforce, provide services for members, communicate, and mobilize (Mckenne& Beech 2002).

In developing countries like Ethiopia, labor unions are important partners in employment relations with the essential function of empowering employees to have the power to make decisions about their working situation and helping them to benefit economically equitably (Redae,2013).

1.2. Company Profile

Ethiopian banking began towards the end of the reign of Emperor Minilik II. This period witnessed the establishment of the country's first bank, called the Bank of Abyssinia. It was an affiliate of the National Bank of Egypt and was founded in 1905. The Commercial Bank of Ethiopia was a purely Ethiopian institution and was the first indigenous bank in Africa, established in 1931. During the Italian invasion in 1935, the Italians established branches of their main banks in Ethiopia, like Banco Di Rom. After liberation, they seized their operations in the

rest of the country. except places like Eritrea, Asmara. In 1943, Commercial Bank Ethiopia resumed its operations, and it served as the central bank of Ethiopia, had the power to issue bank notes and coins, and was a commercial bank. In 1963, a proclamation was issued that separated the functions of central banking and commercial creation, establishing the National Bank of Ethiopia and the Commercial Bank of Ethiopia. private bank that was functioning in the country was Addis Ababa Bank. In 1976, the only local private bank, Addis Ababa Bank, and the two foreign-based banks, i.e., Banco De Roma and Bank De Napoli, were nationalized and merged with the Commercial Bank of Ethiopia. (www.nbebank.com, last accessed March 1,2022)

The Ethiopian government allowed the establishment of private banks and insurance companies in 1994. Accordingly, BOA was established in 1996 as a share company and has 2328 shareholders. It is the second profitable private bank in the country and has assets of about 103.85 billion birr as of the 2020/2021 Budget Year. The bank has more than 9,277 employees and has more than 306 branches in Addis Ababa and 503 branches all over the country (BoA annual report, 2021).

BOA is supervised by a board of directors elected by the general assembly, while the CEO is mandated to manage the operation of the bank. The executive management is chaired by the CEO. The bank has a strategic and function-oriented corporate structure composed of seven chief officers and two vice presidents, who report to the CEO. Currently, BOA has more than 2.5 million account holders. It has strong relationships with more than nine foreign banks and a swift bilateral arrangement with many other banks across the world. Currently, BoA is partnered with and works with eight leading money transfer organizations (BoA annual report 2021).

The BoA employees' labor union was established in 2002 and has 712 and 2054 members in Addis Ababa, three districts and all over the country, respectively, which is one-fourth of the total number of non-managerial employees of the bank. The basic objective of the BoA labor union is to ascertain the rights and privileges of its members. Some objectives of the BOA labor union are to assure proper protection and enforcement of rights and privileges of the employees based on the labor conventions and terms and conditions as per the collective agreement with the bank; protect the employees against unfair exploitation of labor and improper utilization of efforts and skills; support the members during the time of financial distress and unlawful eviction

and dismissal from jobs; raise awareness of the rights and duties of employees in line with the existing national laws, international labor conventions, and human resources principles (Labor union article of association, 2002).

Consequently, the study assessed the role of labor union in employee relations in the case of BoA, three districts operating in Addis Ababa.

1.3 Statement of the Problem

Many literature and study findings revealed that the proper function of a labor union in protecting employees' rights and interests in any organization is payoff as it increases employees' commitment and motivation and thereby increases their productivity and profitability.

union provides a mechanism for dialog between workers and employees, which helps build trust and commitment among the workforce and ensure that problems can be identified and resolved quickly and fairly. This brings significant productivity benefits for companies. Recognizing and working with labor unions also means there is a single point of contact for negotiating terms and conditions for workers, which is simply more efficient and fairer than dealing with workers individually. Workers' performances also improve where there is an independent means of dealing with problems rather than leaving them until they get worse. Conflict and disaffection will lead, almost inevitably, to high staff turnover, poor attendance, lack of involvement, and other indicators of poor performance. An organization will not operate effectively unless it has a stable and relatively harmonious relationship with its employees (Stredwick, 2013).h its employees (Stredwick , 2013).

Employee trust in management was higher when there was a balance of power between unions and management which improved both the working lives of employees and the performance of the organization (Bryson,2001).

Consequently, management should accept and recognize the role of labor union in the company as a vehicle to promote the rights of employees and thereby assure their commitment that will contribute to the attainment of the company's goals and objectives. Besides this, the management of the company should identify itself with their employees by reducing conflict, improving work conditions, developing better rewards and creating harmonious relationships with the labor

union. These, in effect, will enable the company to provide better service that will satisfy their customers.

The researcher couldn't find any research conducted in Ethiopia on employee relations and labor union roles in private banks. Few research studies were conducted on either government organizations like the Commercial Bank of Ethiopia and the Ethiopian Insurance Corporation or one-time government-owned and privatized companies. Labor union functions in these companies have so many advantages. If we take Commercial Bank of Ethiopia, when the employee joins the organization, the employee will automatically be a member of the labor union. In like manner, in terms of participation and collective agreement negotiation and implementation, they have a better tradition of working together with the management of respective companies. When we come to the private sector, a significant number of banks do not even have labor unions, and those that do have their employee relations practices and their union roles have not yet been studied.

In these studies, labor union dealt with a single perspective. But in this study, it was attempted to identify all labor union roles and tried to thoroughly assess whether the union performed them or not. This paper is different in that it could reveal employee relations practices in private banks and also assess the different roles of a union.

When we come to the case of BOA, the researcher tried to make a preliminary assessment in this regard with a limited number of employees. What I understood from them indicated that the labor union did not properly play its role.

Despite the fact that the union participates in promotion, transfer, and discipline cases, the union does not participate in organizational structure studies and planning. Marketing targets are not prepared with the consultation of employees as individuals and collectively as a union. As a result, over-stretched targets are cascaded to employees. So as to attain the target employees, they are forced to go to bars and restaurants and work over time payment for which the bank does not pay. The labor union does not have a periodic meeting with its members as per its rules. The union calls a general assembly when only the union leader's tenure expires and to conduct elections as per the articles of association of the union. At the time of collective agreement negotiations, the union did not identify the needs and interests of members before the

negotiations. As a result, there are areas of interest that are not included in the collective agreement. Besides this, when employees have grievances, they fail to discuss and solve them with the management of the bank. For example, when employees work extended hours and weekends, the bank does not pay overtime payments, and the union has not yet overcome such problems through discussion with management or using legal means.

There is a feeling of strong management and a weak labor union in BoA among employees. Besides these, only one-fourth of the total non – managerial employees are members of the union, and this labor union's inability to attract as many employees as possible also gives a hint that the union state of affairs. All these signify the labor union's inability to play its own role in employee relations in the bank.

1.4 Research Question

By considering the above-mentioned problems to assess the role of trade union on employee relations in BOA, the research answered the following questions:

- What is the relationship between management and the labor union? How does the union influence employee relations in the bank and how do members view this labor union role? How union participate in decision making? is there a blank of power between the union and the management
- How did the labor union and management conduct the collective agreement? Was it conducted based on consensus, dialog and with the principle of good faith negotiation? How the collective agreement its implementation monitored?
- How are grievances and disputes handled; how are employees participating as individuals and collectively as a union; how are members communicating and having their voices heard; and how do these contribute to the development of industrial democracy?

1.5 Objective of the study

1.5.1 General Objective

The general objective of the study is to assess the role of Labor union in employee relations in BOA, three districts that are found in Addis Ababa.

1.5.2 Specific objectives

In line with the general objective the research tried to find the following:

1. Assess how the labor union performs its representation role and employees' overall attitude towards the labor union and management relationship.
2. Evaluate the role of the labor union in conducting collective agreement negotiations and follow up on its practices.
3. Asses the role of the labor union in grievances employees' participation & promoting industrial democracy.
4. Assess labor's role in employee communication and being a voice

1.6 Significance of the Study

The study widened knowledge regarding the role of labor unions in employment relations in Ethiopia. It also gives input to the labor unions and management of BOA to further iron out the problems and deepen their smooth relationship. It also contributes by increasing awareness of employees about how labor union operate in their organization and how it affects their individual and collective interests and plays their role. As there has been no similar study in BOA so far, it can serve as a reference to those people who will be interested in conducting further research on labor unions' role in employment relations in the same bank or elsewhere.

1.7 Scope the study

The study was conducted on employees of BOA and members of the bank labor union who have been working in Addis Ababa. The bank has three districts and 306 branches in Addis Ababa. The labor union has 722 members in the city. The researcher collected data only from labor union members from three districts and 15 branches. It focused on the role of the union in employee participation and involvement in decision making; in collective agreement negotiation and practices; in protecting members' benefits; in grievance and dispute handling practices of the

bank; and the union's role in developing industrial democracy. Besides these, employees' perception of the overall role of the labor union on employee relations in the bank

1.8 Limitation of the study

As there was no previous research on employee relations in BOA, the researcher encountered secondary data shortage and unavailability of adequate books published in the employee relations area in Ethiopian context books. This obliged the researcher to look for information only from respondents.

Employment relations address a wide range of issues. The study did, however, cover topics such as the role of labor in all employee relations; collective agreement negotiation and practices; collective agreement implementation and other policies; and complaint and dispute handling and protection. If it covered other areas of employment relations, like employee satisfaction, employee engagement, and employee performance, it would have been a better description of the case. Due to time constraints, the researcher's area was limited to only Addis Ababa and the inability to conduct additional banks and make comparative analysis.

1.9 Definition of Terms

Basic concepts in employee relations are stated as follows:

- Employment Relations refers to the rules, regulations, and agreements that govern how employees are managed both individually and collectively, with the priority given to the individual versus the collective relationship varying from company to company depending on management values.
- Employee relations refers to the intentions of the organization about what needs to be done and what needs to be changed in the ways in which the organization manages its relationships with employees and their labor unions. So, a harmonious relationship is necessary for both employers and employees to safeguard the interests of both parties. Armstrong (2008) explains that wage levels, benefits, and working conditions for millions of employees now reflect decisions made jointly by unions and management.

- Labor Union: refers to an employee's organization or association in a unionized organization that does not include management members. Employees use collective action to advance their members' interests in regard to wages and working conditions, and it as an organization whose principal purposes include the regulation of relations between workers and employers (Ivancevich,2008).
- Collective bargaining refers to bilateral negotiations between management and labor unions to resolve issues concerning employment relationships, employee rights and duties, and worker benefits and compensation. In the Ethiopian context, collective bargaining is clearly defined in labor proclamation number 1156/11, article 125 (2), which defines collective bargaining as a negotiation made between employers and workers' organizations or their representatives concerning conditions of work or collective agreement or the renewal and modification of the collective agreement.
- A Collective Agreement refers to the legally binding document that is produced through the collective bargaining of labor union representatives and management. It is like an employee handbook. (Fossum, 2006).
- Industrial Democracy: Industrial democracy is an arrangement that involves workers making decisions and sharing responsibility and authority in the workplace. Its core principle is the need for the democratic participation of worker representatives in the governance of labor conditions (Kaufman, 2000). Four key components underline the Industrial Democracy approach: democratic methods for worker participation in decision making, those within the organization can hold those in authority to account; due process to be followed in disputes; and a balance in power between the employer and workers through collective organization. Thus, the involvement of unions representing the interests of workers in developing labor regulations is seen as crucial (Egels-Zanden, 2009).

1.10 Organization of the Paper

The study is organized into five chapters. The first chapter presents the introduction, background of the study, a statement of the problem, research objectives, research questions, objectives of the study, significance of the study, the scope of the study, limitations of the study, and a definition of significant terms. Chapter Two reviews various literature in order to enhance the knowledge

of the area. Chapter three discusses the research methodology, data collection and procedures, and sampling techniques used, whereas the fourth chapter presents the results of the analysis, data interpretation, and summery. The last chapter gives conclusions& recommendations on the research findings, and suggestions for further study.

CHAPTER TWO

2. Review of Related Literature Review

The theoretical and empirical literature aspects of the study are discussed in this chapter. It covers the theoretical foundation for employee relations, labor unions, labor & management partnerships, employee participation & involvement, collective agreement & collective agreement negotiation disputes, employee communication and being heard, and grievance & dispute handling & industrial democracy.

2.1 Theoretical Literature Review

2.1.1. The concept of Employee Relation

According to the author, "Leat, employee relations" refers to the rules, regulations, and agreements that govern how employees are managed both individually and collectively, with the priority given to the individual versus the collective relationship varying from company to company depending on management values. As a result, it is concerned with how to earn people's commitment to an organization's business goals and objectives in a variety of ways. It's also vital to recognize that it happens in a variety of settings, all of which have varying degrees of impact on the connection. One of these is the legal environment, and there is a legally binding contract between employee and employer at the individual level. It's also been proposed that the working relationship might be viewed as a psychological contract (Leat,, 2007).

Employee relations is concerned with the management of the employment relationship and the development of a positive psychological contract in general. It specifically addresses employment terms and conditions, employment-related concerns, giving employees a voice, and interacting with employees. In the presence of registered trade unions, employees are dealt with either directly or through collective bargaining agreements. Organizations must have a clear vision of how they want to develop a cooperative and productive environment for employee relations climate, one in which management, employees, and their representatives have positive perceptions of how employee relations are conducted and how the various parties (managers, employees, and trade unions) interact with one another. (Armstrong, 2011).

It considers both the collective and individual aspects of the employment relationship, adopts a managerial perspective, and goes on to state what they believe is management's goal or objective in dealings with both individuals and collectives. They also claim that management affects whether an individual or collective relationship is given priority (Leat, 2007).

Individual contracts and expectations between employers and employees in the workplace are referred to as employment relations, whereas the collective dimension refers to ties between management and labor unions. It can be informal, such as a psychological contract, which expresses an unwritten set of expectations that operate at all times between every member of an organization and various managers and others in that organization, or formal, such as a contract of employment and procedural agreement (Kessler and Undy, 1996).

2.1.2. Psychological contract

'Psychological contract is the employee's impression of an implicit yet mutual obligation existing with the employer,' as cited by author Mike like in his book exploring employee relations (Rousseasu,1990 pp391)

According to author Lite in his book on employee relations (Rousseasu, 1990), the concept of a psychological contract was popularized by Schein (1988), who suggested that there is an implicit contractual relationship between employer and employee that is generated from a series of assumptions made by both parties regarding the nature of their relationship. These assumptions may not be legally binding, but they form the basis for a set of reciprocal agreements and a set of expectations that may have significant moral weight (Schein,1988).

The main assumptions are:

- that employees will be treated fairly and honestly;
- that the connection should be defined by a concern for equity and justice, which would necessitate adequate communication of changes and developments;
- that employee loyalty to the employer would be reciprocated with a degree of employment and job security;
- That employees' input would be recognized and valued by the employer.

Under this concept of a psychological contract, we can find assumptions about what individuals require in terms of returns and satisfaction from work, and there is an element of prescription in that Schein may be regarded as prescribing how employees should be treated. These underlying assumptions are essentially consistent with the sets of individual needs identified many years ago by American researchers such as Roethlisberger and Dickson (1939), Maslow (1943), and Herzberg (1966), which include equity and justice, security and safety, recognition of worth and input, and self-fulfillment.

2.1.3. Parties in Employee Relation

Employment, employer, and government are the three parties involved in an employee relationship. Employee relations, as defined by David Farnham, is concerned with the interactions between the parties involved in a work relationship. Employers and employees, parties acting on their behalf (trade unions and employer organizations), and the third-party role played by state agencies. He points out that employee relations practices within firms are influenced by a variety of factors, including:

- The interests of the buyers and sellers of labor services (or human resources skills);
- the agreements and rules made by them and their agents;
- The conflict-resolving processes that are used;
- The external influences affecting the parties making employment decisions (David Farnham, 2000).

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- The agreements and rules made by them and their agents,
- The conflict-resolving processes that are used

- External influences affect the parties making employment decisions (David Farnam, 2000).

Employees are those in the organization who work under the direction and supervision of the employer and are bound by the same set of rules. Competence, obedience, loyalty, and contract respect are among their responsibilities. Employers are people who have the authority to hire and fire employees, as well as develop and implement plans and policies that impact them. They must also pay employees' salaries, offer a safe working environment, and operate in good faith toward them. This helps to foster a climate of good will, mutual respect, trust, and understanding between management and employees as they exercise their rights and perform their duties (John W. Budd, 2017).

The state as a law maker should enact legislation to regulate the individual employment relationship, including the contract of employment; achieve the particular social objectives of equality of opportunity and non-discrimination, encourage and regulate collective representation, provide a legislative framework for the collective processes of employment relations;■ regulate what they refer to as industrial conflict by which they mean both individual and collective industrial action (Willey and Morris ,2003).

2.1.4. Elements of Employee Relations

An employee relation can be effective and be able to achieve its objectives when elements of employee relation are in place in the origination. As stated by Armstrong the following are the main elements of employee relation:

- The formal and informal employment policies and practices of the organization.
- The creation, negotiation, and implementation of formal systems, norms, and procedures for collective bargaining, dispute resolution, and employment regulation. These serve to decide the pay for effort and other working circumstances, to safeguard both employees and employers' interests, and to regulate how companies treat their employees and how they are supposed to act at work.
- The bargaining structures, recognition and collective agreements and practices that have evolved to enable the formal system to operate.
- Policies and practices for employee voice and communications. Open communication is a corn stone of any successful relation. Make sure all employees understand their

responsibility and the expectation to which they are being held. Keep your employees are aware of changes at their company, from new initiative and goal to overall performance indicators.

- Informal and formal procedures that take the form of ongoing contacts between managers, team leaders, and supervisors on one hand, and employee representatives and individuals on the other. These may take place inside the confines of legal agreements, but they are frequently influenced by custom and practice, as well as the environment of relationships that have developed through time.
- The philosophies and policies of the major players in the industrial relations scene: the government of the day, management and the trade unions (Armstrong,2011)

2.1.5. Employee Relation Strategy

Organizations need to have a clear idea of the route they want to follow in developing a cooperative and productive employee relations climate, one in which the perceptions of management, employees and their representatives about how employee relations are conducted and how the various parties (managers, employees and trade unions) behave when dealing with one another are positive (Armstrong,2008)

2.1.5.1. Employee relations strategy defined

The employee relations strategy defines the intentions of the organization about what needs to be done and what needs to be changed in the ways in which the organization manages its relationships with employees and their trade unions. Employee relations strategies should be distinguished from employee relations policies. Strategies are dynamic. They provide a sense of direction and give an answer to the question, "How are we going to get from here to there?" Employee relations policies are more about the here and now. They express 'the way things are done around here' as far as dealing with unions and employees is concerned. Of course they will evolve, but this may not be the result of a strategic choice. It is when a deliberate decision is made to change policies that a strategy for achieving this change has to be formulated. Thus, if the policy is to increase commitment, the strategy could consider how this might be achieved by involvement and participation processes. (Armstrong, 2008).

Employee relations strategy may address issues such as how to build stable and cooperative relationships with employees that minimize conflict; achieve commitment through employee

involvement and communications processes; develop mutuality or a shared interest in achieving the organization's goals through the development of organizational cultures based on shared values (Kochan and Osterman, 1944).

2.1.5.2. Employee relation policies

According to Armstrong, employee relations policies express the organization's philosophy on what kind of relationships are desired between management and employees, and, where necessary, their unions, and how the pay-work bargain should be managed. A social partnership policy will aim to develop and maintain a positive, productive, cooperative, and trusting climate in employee relations.

There are four approaches to employee relations policy.

1. Adversarial: the organization decides what it wants to do, and employees are expected to fit in. Employees only exercise power by refusing to cooperate.
2. Traditional: a reasonably good day-to-day working relationship but management proposes and the workforce reacts through its elected representatives, if there are any; if not, employees just accept the situation or walk away.
3. Partnership: the organization involves employees in the drawing up and execution of organizational policies but retains the right to manage.
4. Power sharing: employees are involved in both day-to-day and strategic decision-making. (Armstrong, 2013).

2.2. Labor Union

2.2.1. The concept of Labor Union

A labor union is defined as "an organization founded to bargain with employers on behalf of workers collectively regarding job-related problems such as salary, benefits, working hours, and working conditions," according to the Blacks' Law Dictionary. The International Labor Organization (ILO) defines a labor union as "an organization composed primarily of employees whose primary activities include the negotiation of wages and working conditions for its members" (ILO World Labor Report 1997-1998).

Over the years, labor unions have been one of the most prevalent and popular features of any organization's workforce since they attempt to safeguard the rights and interests of employees

from arbitrary economic exploitation and management's abuse of labor dignity by employers. As a result, it is seen as a critical tool and instrument used by employees in businesses to gain insight and influence management decisions that may be harmful or opposed to the terms and conditions of the agreement (T. Altenburg, 2010).

2.2.2. History of Labor Union

The history of trade unions around the world is one of the fights for greater social fairness in society and at work. Because they were the epicenters of capitalist development and industrialization, the United States and Great Britain were hotbeds of strikes, unrest, and a succession of worker murders in the nineteenth century. Individual workers were usually subjected to exploitation since they were economically weak and had little negotiating power, and their lives and working circumstances deteriorated over time. Trade unionism arose in response to situations in which employees were forced to defend themselves against exploitation, such as poor pay, long hours, and generally deplorable working conditions. Workers were able to escape poverty, exploitation, and violations of their basic human rights over time by organizing through trade unions and engaging in collective bargaining and social dialogue. As a result, workers who were involved in the fight against injustice and oppression, as well as those who battled for human solidarity and labor rights, are credited with the founding of trade union movements (Deset Abebe, 2013).

Ethiopian employees straggle back to the time of Emperor Menelik II. In 1907 and 1909, signor Catagones's brick factory employees went on strike. They were holding an Ethiopian flag and gathered in front of the palace and gave a petition to government officials. In the same year, workers of the Franco Ethiopian Rail Way Company went on a strike beginning in March 1909 for three months. The Franco-Ethiopian Railway Company's workers finally achieved a remarkable success by forming their 'syndica de shemini', the Franco-Ethiopian Railway worker's union, in 1945. Following the footsteps of the Ethio-Djibouti railway workers' union, the employees of various enterprises tried to establish self-help associations, traditionally known as "Idirs." and succeeded in forcing the government to accept the establishment of self-help associations, which paved the way for the formation of the first trade union late in 1950. At this time, there was rapid industrialization, increasing the worker population and their strong movement, and the monarch's interest in gaining diplomatic acceptance from the African Union

forced the government to adopt labor relations law. As a member of the ILO, Ethiopia was supposed to respect the right of Ethiopian workers to organize and collective bargain. It was also more elaborated in the 1955 revised constitution of the country. It stipulated that every Ethiopian has a right to engage in any occupation and to form a joint association in accordance with the law. The revised constitution, coupled with the aforementioned worker's movement, and the first labor law proclamation, no. 49/1962, entered into force. Workers' unions were formed in response to the new law, and they merged to form the Confederation of Ethiopian Labor Union (CETU) on April 9, 1963 (CETU Bulletin, 2013).

With the coming Ethiopian revolution and the advent of Dreg, a new labor proclamation was introduced in 1975, proclamation no. 64/75. CETU was renamed as the confederation of all Ethiopian trade unions in 1976, which became an instrument designed to suppress the worker's movement and was also advancing an ideology of dependency on the state. After the military government was overthrown in 1991, another labor proclamation, no. 42/1993, was promulgated. The worker representative formed a national committee responsible for organizing the center, CETU, and CETU was reestablished with a 400-member trade union at the enterprise level. Currently, CETU has 450,000 members and nine independent industrial federations, which are the umbrella for about 940 basic trade unions (CETU Bulletin, 2013).

2.2.3. Why Employees Join union?

A labor union is a formal association of workers that promote them of its member's through collective action. Employees join union with main objective of improving their work condition, for this reason union are formed organizational level to national and international level (Mathis & Jackson,2008)

As an author wrote the following theory explains why employees at a certain plant are pushed to join a union:

- A. Alienation Theory – this is based on the assumption that employees may seek collective action to alleviate their feelings of alienation brought on by the substantial use of machines in the manufacturing process. Employees may become aware of their common misery as a result, and class consciousness may prompt them to join a union or participate in collective activities to improve their working conditions. Employees' need to speak freely without fear of retaliation from management is something that unions can and do address. Employees may

be dissatisfied with certain aspects of their jobs without being alienated from their jobs. Employees may join a union if they are unsatisfied with the physical qualities of their workplace, the low wage, or the absence of benefits, and they believe that the union will assist them in achieving the job-related circumstances that are important to them.

- B. Scarcity consciousness theory – the need for job security in his classic book, a theory of labor management, suggest that employees are attracted to unions on the assumption that union will protect their jobs. Many employees, particularly manual workers strongly believe they are living in a country of limited opportunity and become scarcity conscious (Holley ,1997)

2.2.4 Employee Relation Perspectives

Perspectives A theory is a coherent group of assumptions or propositions put forth to explain a phenomenon; it is an abstraction of reality and is synonymous with perception, viewpoint, assumption, frame of reference, or perspective. Theory attempts to observe, understand, explain, predict, and control events or phenomena. It helps in understanding events and problems in the practical world (Fajana, 2000).

2.2.4.1 Unitary Theory

The theory emphasizes shared values, interests, and goals. Those who subscribe to this viewpoint see organizational members as a team or family with shared values, goals, and a common destiny. This idea assumes that there is no factionalism within the company. Strikes are seen as irrational or bad, and firing striking workers is preferable to consultation or discussion (Fajana, 2000). Those who believe in unitary theory believe that managers and employees share a shared interest in the survival of their companies, and hence conflicts are unlikely to escalate to the point where the company becomes insolvent (Fidler, 1981). According to Rose (2008), trade unionism is outlawed and suppressed under the Unitarian perspective because it is viewed as an illegitimate intrusion or encroachment on management's right to manage; trade unions are viewed as an intrusion into the organization from the outside, competing with management for employee loyalty.

2.2.4.2 Conflict/Pluralist Theory

The pluralist frame of reference, which is also credited to Fox, is synonymous with conflict theory (1966). Employees have distinct values and aspirations from those of management, and these values and aspirations are always in conflict with those of management. This idea holds that the organization is made up of sectional groups with diverse values, interests, and purposes. Conflict theorists claim that in organizations, conflict is an unavoidable, rational, functional, and natural state that is resolved by compromise and agreement or collective bargaining. Trade unions are seen as valid challenges to managerial power or prerogatives by conflict theorists, who promote competition and collaboration. Rose, 2008; Rose, 2008).

2.2.4.3 Systems Theory

This systems theory derives from the structural/functionalist perspectives of social systems (i.e., society). This theory draws on a pluralist frame of reference provided by Dunlop's (1958) systems theory. According to the theory, industrial interactions should be viewed as a sub-system of the larger social system. According to the notion, work is governed by a variety of statutory and informal rules and regulations that cover everything from recruiting to holidays, performance, wages, hours, and a variety of other employment-related issues. It claims that industrial actors endeavor to establish these rules, that their establishment is impacted by the larger environmental setting in which the actors work, and that the actors themselves have an interest in maintaining negotiation and dispute resolution processes (Abott,2006).

2.2.4.4 Strategic Choice Theory

This theory draws on pluralist assumptions and was founded by Kochan, Katz, and McKersie (1986). This theory picks up on the systems concept developed by Dunlop (1958) and advances it by accommodating a number of contemporary changes in the way industrial relations are being practiced.

2.2.5 The Role of labor unions

Unions have played an economic, social, and even political role in promoting the interests and rights of their members. Overtime pay, minimum wage, treatment of immigrant workers, health and retirement coverage, civil rights, unemployment insurance and workers' compensation, and leave for care of newborns and sick family members are all areas where unions have played a

significant role in the enactment of labor laws and regulations. All of these policies have one thing in common: they all want to safeguard workers, either by controlling employer behavior or by providing workers with particular benefits in times of need (Weil, 2007; Davis, 1986; Amberg, 1998).

These rules have evolved into mainstays of the workplace experience, serving as symbols of cherished public values. Unions play an essential role in ensuring that labor protections are more than just "paper pledges" at work, which is perhaps underappreciated. Government agencies tasked with enforcing regulations are unable to monitor every workplace or automate the processing of unemployment or accident insurance claims. In practice, the success of labor safeguards is determined by the worker's willingness to act. This is done either by reporting an abuse or filing a claim. Unions have been crucial in this aspect by giving workers the relevant information about their rights and the necessary procedures, but also by facilitating action by limiting employer reprisals, correcting disinformation, aggregating multiple claims, providing resources to make a claim, and negotiating solutions to disputes on behalf of workers (Hirsch, 2009)

The unions basic roles among the non-financial matters comprises ensuring occupational safety and health, maintaining harmony between the workers and the supervisors in enhancing team spirits, protect the employees against unfair measures taken by the management and labor exploitation in general. The role of trade union in obtaining health and welfare benefits for members, dates to the 18th century and earlier union organizations were established for the provision of health and welfare benefits and later on they became engaged in bargaining with employers over wages (Mueller, 1999)

Labor unions' main roles are to organize, advocate for equitable working conditions, bargain on behalf of workers, offer services to members, network, and mobilize. As a result, trade unions are viewed as organizations that are solely concerned with securing benefits for their members, such as financial gains such as wage increases, bonuses, various allowances, insurance benefits, overtime payment, and non-financial benefits such as job security, comfortable work environments, and recreational facilities, as well as reducing employer fear through collective bargaining. However, various studies have demonstrated that unions can play a role other than collective bargaining, such as raising worker productivity or efficiency, improving worker

discipline, improving workplace peace and harmony, and engaging in management decision-making (Munts,1967)

As Rao stipulated the primary functions of trade unions are to secure the interests of their workers and conditions of their employment. The main functions of a trade union can be highlighted as follows:

- Bargaining for higher wages and for better working conditions for its members
- Providing management suggestions on personnel policies and practices.
- Helping workers in getting the control of industry.
- Protecting members against discrimination and unfair justice of employers.
- Helping workers in all matters which results in worker's interests (Rao 2010)

In general labor union play pivotal role in relation between the employee and employers that bring benefit to the wellbeing of both employees and the organization.

2.2.6 Labor and Management Partnership

Labor Union and management should work closely that benefit for both parties. The employee gets a better benefit and for the management it brings commitment, productivity industrial peace and harmony at the work place.

In industrial relations a partnership arrangement is one in which both parties (management and the trade union) agree to work together to their mutual advantage and to achieve a climate of more cooperative and therefore less adversarial industrial relations. A partnership agreement may include undertakings from both sides; for example, management may offer job security linked to productivity and the union may agree to new forms of work organization that might require more flexibility on the part of employees.

Five key values for partnership have been set down by:

1. Mutual trust and respect.
2. A joint vision for the future and the means to achieve it.
3. Continuous exchange of information.
4. Recognition of the central role of collective bargaining.

5. Devolved decision making.

Companies might expect productivity increases, quality improvements, a more motivated and engaged staff, and lower absenteeism and turnover rates if these issues were successfully addressed by management and unions, according to their research in the United States (Rosow and Casner-Lotto, 1998).

2.3 Grievance and Dispute Handling

A Grievance is any dissatisfaction or feeling of injustice in connection to one's employment situation that is brought to the attention of management. Grievance is defined by the International Labor Organization (ILO) as a complaint of one or more workers regarding wage and allowance, working conditions, and interpretation of service stipulations covering such areas as over time, leave, transfer, promotion, seniority, job assignment, and termination of service (Dale S. Beach, 1995).

As a result, the number of grievances and disciplinary proceedings should be systematically linked to other indicators of an industrial relations system's performance (Thomson & Murray, 1976).

A company should have a policy to deal with discipline. If disciplinary action has to be taken against employees, it should:

- be undertaken only in cases where good reason and clear evidence exist;
- be appropriate to the nature of the offence that has been committed;
- be demonstrably fair and consistent with previous action in similar circumstances;
- take place only when employees are aware of the standards that are expected of them or the rules with which they are required to conform;
- allow employees the right to be represented by a representative or colleague during any formal proceedings;
- allow employees the right to know exactly what charges are being made against them and to respond to those charges;
- Allow employees the right of appeal against any disciplinary action.

A company should also have a procedure that include a fair hearing by their immediate supervisor or manager concerning any grievances they may wish to raise; the right to appeal to a more senior manager against a decision made by their immediate supervisor or manager; the right to be accompanied by a fellow employee of their own choice when raising a grievance or appealing against a decision. The aim of the procedure is to settle the grievance as near as possible to its point of origin (Armstrong,2009)

Disputes, on the other hand, tend to be collective and concern rates of pay or some other substantive element of the terms and conditions of employment. Commonly, a dispute concerns dissatisfaction with the terms and conditions status quo, the existing situation, rather than the employees' rights under existing rules and regulations and tends to surface as a request to improve, or in some other way amend, the status quote most obvious example is a dispute concerning the employees' request for an increase in pay. (Mike,2007)

Establishment should have a mechanism to handle grievance and dispute. They should develop their own procedure. As Leat wrote in his book, exploring employee relation the objectives of a grievance procedure then should be:

- to provide employees with a mechanism for raising and having a grievance redressed;
- to ensure that this can be done promptly and constructively;
- to ensure that employees are treated fairly and consistently and with dignity;
- To reduce the possibility of unpredictable action and an escalation of a grievance into a dispute.

The prompt, fair and constructive resolution of grievances is of interest to both management and employees and it is common for these procedures to be jointly determined and agreed. There is advantage to management in involving employees and/or their representatives in this process since the procedures then have a legitimacy within the organization that they may well not otherwise have (Mike Leat,2007)

The causes of industrial conflicts may be Industrial factors, Management's attitude towards workers, Government machinery and other causes. Industrial conflicts are basically two types, strikes and Lock- outs. Employees have the option of expressing their concerns in a formal or informal manner. The formal techniques are carried out in a systematic and well-planned

manner. differently, informal ones are run in a disorganized and on-the-spot way. Those sorts are completely unknown to management (Jackson 1983).

2.4 The Concept of Collective agreement

2.4.1 Collective Agreement

Collective agreement is defined as an agreement which is concluded by competent parties on the terms and conditions of employment. It is a contract done between the labor and management governing wages and benefits and working conditions. It is usually the result of a process of collective bargaining between an employer and a trade union representing workers. On behalf of the employer the agreement can be concluded by either the individual companies or their association. On the other hand, on the employee's behalf, the agreement can be concluded by their association. (Aimala, Astrom, Rautiainen&Nyysola, 2005)

The provisions of a collective bargaining agreement have an impact on the employment relationships between the signatory parties' members. Wages and working hours are two of the most important regulations. A written collective agreement should be reached. It guarantees employees a set of minimal employment terms. The parties that are bound by the collective agreement, on the other hand, may not engage in industrial action to enhance the terms of employment that comply with the agreement or to compel the other party to amend the agreement during the contract time (Holopainen, 2009).

2.4.2 Collective Bargaining

As cited by olive apondionyango in his thesis dissertation a collective bargaining is a process of decision making between parties representing employer and employee interests; it implies the negotiation and continuous application of an agreed set of rules to govern the substantive and procedural terms of the employment relationship (Windmuller et al, 1987).

Collective agreement negotiation can be initiated between trade unions and individual companies or between union federations and employer associations. In all of these cases, the goal is to agree upon rules to facilitate compromises between conflicting interests over the terms and conditions of employment. In replacing unilateral decision-making by the employer, bargaining has introduced an element of industrial democracy into the workplace (Cordova, 1990; Traxler, 1991).

The range of subjects covered by collective bargaining has shrunk in the last 20 years, but that the scope of collective negotiation has rarely gone beyond salary and hours. A major purpose of bargaining, regardless of the level at which it takes place, is to reach compromises and agree on rules to make conflict resolution easier. For workers, this serves as a protective function, a voice function and a distributive function (Brown,2004)

The authors identified three types of negotiating issues as follows:

- Mandatory issues – must be negotiated by law. They include such items as wages, hours, benefits and other terms and conditions of employment. These have the most direct impact on worker's day to day functioning. Refusal to bargain on these issues can result in charges of unfair labor practices.
- Permissive issues – may be discussed only if both parties agree to do so. Permissive issues often include items that are of mutual interest, including a company's pricing policy the pensions and benefits of retired workers.
- Prohibited or illegal issues – are strictly forbidden by law. They cannot be Subject to negotiation even if both parties want to negotiate them. Included are, closed shop agreements, and discrimination against protected class of individuals(Schwind et al ,2005)

The notion of good faith negotiation is a fundamental premise that should be respected by all negotiating partners. Effective labor-management partnerships are built on the foundation of good faith negotiating. It means that both sides communicate and negotiate, matching proposal with counter proposal, and making every reasonable attempt to reach an agreement. It does not imply that one party is compelled to accept a proposition made by the other. It also does not necessitate any explicit concessions from either party (R. Wayne Monday)

2.4.3 Collective Agreement and Management and Union Partnership

Basically, employee-employer relations are governed by four things. The first one is the contract of employment that was concluded when the employee was hired. The second is the administrative manual that is solely prepared by the organization. The third one is the country's labor proclamation. It sets the minimum labor conditions that the employee should enjoy. Any breach of the minimum labor conduction is illegal for any employer. The last one is a collective agreement. It is considered to be the best legal document that is agreed upon with the employee's representative and employers. What makes a collective agreement good for both parties is that it

is based on the consent of both negotiating parties. It also contains articles which are not included in the labor proclamation, and when there are issues which are stated in the labor proclamation, the collective agreement gives extra rights to the employees. Accordingly, the management and labor union of a given establishment should form a partnership (Kaufman,2000).

2.5 Industrial Democracy and Employees Participation

2.5.1 The Concept of Industrial Democracy

The notion of Industrial Democracy underpins much of the industrial relations approach to transnational labor governance. Its core tenet is that worker representatives must participate democratically in the control of working conditions . According to Kaufman industrial democracy approach emphasizes four key components: democratic methods for worker participation in decision-making; those within the organization can hold those in authority accountable; due process to be followed in disputes; and a balance of power between the employer and workers through collective organization. As a result, the engagement of labor unions in the development of labor regulations is considered as critical (Egels-Zanden, 2009)

Industrial Democracy is based upon the belief that workers are the citizens of the corporation, and democratic processes require their representation and participation primarily through independent worker representatives (Webb, 1898; Kaufman, 2000). Their participation in the design, structures, and processes is regarded as an important activity in itself (Royal, 2005; Sobczak, 2007).

Industrial democracy is a working system in which workers make decisions and share responsibility and authority. Workers are listened to and participate in the decision-making process in participatory management organizational designs, but in industrial democracy organizations, they also have the last say (Kaufman, 2000).

These collective grievances become trade disputes when they are monitored, managed, and promoted in an organized manner, such as by trade unions. Go-slow, work-to-rule, over-time ban, sit-in, work-in, strike, and lock-out are examples of potentially conflicting industrial situations. Industrial peace or harmony in a country is a necessary condition for its industrial development; it indicates that management and employees have harmonious industrial relations.

If the organization is to achieve its corporate goals, it must have a harmonious connection between management and employees. A positive working relationship helps to maintain industrial peace, avoid strikes and lockouts, and boost production (Puttapalli & Vuram, 2012)

2.5.2 Employee Participation & Involvement

Allowing employees and trade unions participating in the affairs of organization management has benefits to all parties in many respects.

Participation of employees in management is an integral aspect of industrial democracy. Swanepoel defines worker involvement as management's attempts to empower or involve workers in decision-making processes that are connected to their daily activities as well as the organization's overall functioning. The nature of labor unions has an impact on their role. As a result, they look for new members to join the union, generally on a voluntary basis. They represent workers, engage in collective bargaining and terminations, participate in trade dispute resolution, and seek and participate in decision-making on issues that concern them (Swanepoel, 2001)

Employee empowerment, a more recent and advanced kind of employee involvement, improves employee relations and directly contributes to corporate goals by boosting skill sets and giving individuals authority to make decisions that would otherwise be made by management (Ivancevich, 2001). It can motivate employees to be innovative and take chances, key characteristics that can help a company gain a competitive advantage in a fast-changing industry (Hymowitz, 2000).

An author called Strauss refers three different participation models, each being distinguished on the dimension of the depth or the degree of workers' influence or control over management. Here, management relates primarily to the function rather than the people but inevitably there is a relationship between the two:

- Consultative participation: gives workers and/or their representatives the right (or opportunity) to be informed, to give a view or to raise objections but, crucially, the right to decide remains with management, their prerogative remains intact.

- Co-management: employees share the right to decide; they have joint decision-making powers with management and this may well translate into an effective right of veto, the consent of both parties being required before action can be taken.
- Self-management by workers: describes a scenario in which it is the employees either directly or through representatives that alone have the role of decision making; this may be by virtue of the employees being the owners of the enterprise.

The depth of participation achieved between employees and employers through collective bargaining is likely to be a function, at least in part, of the relative power of the parties. owner is a factor in determining both the nature and extent of employee participation in any particular organization, country or time (Strauss,1979)

2.6 Employee Voice

As cited by Armstrong Employee voice defined by Boxall and Purcell (2003): ‘Employee voice is the term increasingly used to cover a whole variety of processes and structures which enable, and sometimes empower employees, directly and indirectly, to contribute to decision-making in the fi rm.’ Employee voice can be seen as ‘the ability of employees to influence the actions of the employer’ (Millwardet *al*, 1992). The concept covers the provision of opportunities for employees to register discontent, express complaints or grievances and modify the power of management, and sometimes brings collective and individual techniques into one framework. Direct employee voice involves contacts between management and employees without the involvement of labor unions. Union voice is expressed through representatives and can be power-based (Armstrong,2007)

The meaning of employee voice, Dundonet *al* (2004):

- Expression of individual dissatisfaction raised with line manager or through grievance procedure.
- Expression of collective dissatisfaction raised by trade unions through collective bargaining or industrial action.
- Contribution to management decision making through upward problem solving, suggestion schemes and attitude surveys.
- Demonstration of mutuality through partnership agreements, joint consultative committees and works councils.

2.2 Empirical Literature Review

The labor union's role in employment relations can be seen in Atnafu's (2012) findings on his study on the promotion of peaceful employee relations at BGI Ethiopia. The study's findings showed that management had a favorable attitude toward the union and that the union's goals and objectives were closely aligned with the organization's objectives. The investigation came to the conclusion that there was a favorable atmosphere for employee relations based on the final results. In addition to maintaining harmonious working relationships, the business also engages in corporate social responsibility activities that benefit society as a whole.

Another study's finding Mahlet (2016)'s labor union and good employee relations conducted at the Commercial Bank of Ethiopia's finding, on the other hand, shows that labor union is important for the organization. The existence of a union enables employees to have better employment relations with the management. The union influences the employment relations of the bank. The union officials are committed and experienced. Her study findings showed that management of the organization and the union were working together in collaboration. The organization facilitates the necessary equipment. The union officials have a place in every quarter meeting. There is a compliance committee that includes both the management of the organization and the union.

Mahlet's (2016) study on labor unions and positive employee relations at the Commercial Bank of Ethiopia demonstrates the significance of labor unions for the company. Employees can interact with management more effectively when there is a union in place.

The union has an impact on the bank's hiring policies. The union representatives are devoted and knowledgeable. The union is well organized. The results of Mahelt's study demonstrated that the organization's management and the union collaborate. The organization arranges for the required tools. Each quarterly meeting includes representation from the union officials. The organization's management and the union are both represented on a compliance committee.

It was also criticized that in some cases, management excluded the union from making decisions. In the collective agreement, the working hours of employees are presented in brief, but the management is violating their rights. With regard to communication between the employees and the union, there is no formal or regular meeting. Most of the employees don't have the collective agreement on hand. Unionism has a significant impact on the job security of employees. Most employees expect the union to protect them from unnecessary dismissal by the organization. The labor union of CBE is strong in giving job security to the employees; the union helps many employees get back to work after dismissal.

A research finding conducted by Shewaye (2014) in the title, a practical role of labor unions in employee relations in Addis Ababa Water and Sewerage Authority, revealed that labor unions can be perceived as weak from the perspective of employees if they do not create a way to involve or inform their members about their activities. The result of the study showed that the labor union was considered the legal representative by the management

Yayehyirad (2018) a research conducted on the title assessment n the role of Trade union in safeguarding members interest According to this study basic roles of trade union such as increasing cooperation and well-being among employees, negotiating and securing facilities for workers and representation shall be discharged effectively and efficiently to discharge the union's basic safeguarding members right sand interests. And the trade union at Ethiopian airlines is working well in this regard as we perceived from this study. Nevertheless, after evaluating its role with regard to contemporary roles of a trade union such as communication, advanced welfare activities, education and research, the trade union has to go a long way. The union should also involve intensely in such activities. As we could understand trade union has different challenges in general, operational challenge, management challenge and financial challenges are the major ones which obstacle the union from performing better in safeguarding its member's interest and rights. With these aspect Ethiopian airlines basic trade union has challenges but couldn't be consider as a risk to continue its duties. Man power shortage is becoming its major challenge to the union with its increasing member's number and demands.

CHAPTER THREE

3: Research Methodology

This chapter discusses the research design, research approach, sources of data, sampling techniques, data collection methods, and methods of data analysis.

3.1 Research Approach

The researcher used a mixed research approach, i.e., quantitative and qualitative data. Qualitative data was collected after the completion of the quantitative data in order to supplement the quantitative data and answer researcher questions that couldn't be fully answered by quantitative data. The quantitative research method is based on the collection of factual data, which is measured and quantified. It answers research questions from the viewpoint of the researcher. It involves a considerable amount of statistical analysis by using survey questionnaires, observations, and experiments as a method for collecting data. On the other hand, qualitative research methods aim to generate insights into situations and behavior so that the meaning of what is happening can be understood. It emphasizes the interpretation of behavior from the participant's point of view. It is based on evidence that may not be easily reduced to numbers. It makes use of interviews, case studies, and observation. (Greener, 2008).

Accordingly, a quantitative research method measures and predicts, whereas a qualitative research method describes and understands (Armstrong, 2010). For this study, the researchers used both quantitative and qualitative research methods, or mixed-mode methods. The quantitative approach is used to provide values during the research by using closed-ended questionnaires to collect the numerical or measurable data. In addition to this, the qualitative method was, open-ended questions and interviews were equally employed so as to address the research questions that couldn't be fully fit refers to the overall strategy that integrates the different components of the study in a coherent and logical way. The research design is defined as the plan in which information is obtained from the research participants (Welman and Kruger, 2004).

3.2 Research Design

It refers to the overall strategy that integrates the different components of the study in a coherent and logical way. The research design is defined as the plan in which information is obtained from the research participants (Welman and Kruger, 2004).

There are a number of research designs. But for this paper's purpose, the descriptive research design, which is used in a number of social science research studies, was found to be the appropriate one. It regularly focuses on describing the state of affairs as it exists. The main objective of a descriptive study is to gain a profile of a situation or an explanation of a situation or an association between variables (Mark & Philip, 2012). The researcher used descriptive research design to assess and describe the role of labor union in employment relations in BOA.

3.3 Population and Sampling Techniques

3.3.1 Population

BoA has 1195 branches and around 9277 employees who are working in managerial and non-managerial positions all over the country. Of these, 2054 are members of the labor unions at the national level (Annual Report of BoA 2021 and Labor Union data). But for the sake of manageability, the target population of the study were BoA employees who are members of the labor union and work in different branches in Addis Ababa.

The target population refers to the larger population to which the researcher ultimately would like to generalize the results of the study (Mugenda, 2003). Consequently, the total population of this research includes union members and those employees who are working in the three districts and 15 branches found in Addis Ababa; Central Addis Ababa, East Addis Ababa, and West Addis. The reason for the selection of the districts is to cover all districts in Addis Ababa. There are 712 employees who are members of the labor union working in the three districts.

First, quantitative data through questionnaires was collected from sample members of the labor union from 15 branches here in Addis Ababa to assess the overall attitude of members towards the labor union representative role, how the collective agreement was negotiated and practiced, the role of the labor union in handling grievances and disputes, the role of the labor union in protecting members' benefits, the role of the labor union in communication and being a voice to

members, the role of the labor union in ensuring member participation individually and collectively in decision making, and the role of the labor union in developing industrial democracy.

In addition, the researcher prepared a semi-structured questionnaire, by taking a lesson from other studies and by including in his opinion, questions that deem to be included, to get respondents' personal opinions regarding the labor union, what it achieved and the areas in which it will strive for the future. Its main objective was to ensure that points that were not entertained in structured questionnaires would be gathered through qualitative data questionnaires.

Finally, a semi-structured interview was conducted with management and labor union representatives who were involved in employee relations practices, collective agreement negotiation, benefit determination, compliance and dispute handling directly. This allowed the researcher to gather valuable information regarding the role of labor union in employee relations. This would supplement the quantitative data and give the researcher a clear understanding of the labor union role in the bank.

3.3.2 Sampling Techniques

Simple random sampling is the sampling technique for this study. Simple random sampling is applied to take a sample from all union member employees in the study branches. An appropriate equal chance was given for the respondents to be included in the sample. Union officials and members of the management were selected purposely in order to convey relevant information from appropriate officials. Based on table 1.3, the total number of members was selected to be some 256 members. These branches, which have relatively many union members, in Addis Ababa, were selected and the number of samples was based on their member proportion. The main reason for selecting those branches which have more union members was the fact that as the number of employees increases, the possibility of employee relations issues also increases.

Besides this, management and labor union representatives were selected in consultation with the respective sides. The researcher considered union leaders and human resource officials as important information sources as they have adequate information on the issue under discussion and they are engaged in employment relations on a daily basis.

The sample size was calculated by using (Yamane, 1967) sample size determination formula with 95 % confidence level. The number sample is presented as follows:

$$n = \frac{N}{1 + N(e)^2} \quad \text{Where } n = \text{sample size Required} \quad n = \frac{712}{1 + 712(0.05)^2}$$

$$N = \text{Number of people in the population} \quad n = 256$$

$$e = \text{Allowance error (\%)}$$

Questionnaires were distributed to 256 union members working in 15 branches in the three districts of Addis Ababa. Because respondents do similar work, non-probable sampling was used to select the sample. In addition to this, using purpose sampling, two management members and two labor union leaders were selected.

3.4 Types of Data and Instrument of Data Collection

The data was collected from primary and secondary sources. Primary data refers to first-hand information gathered by the researcher, and it is considered to be unique in nature, such as observation, questioning, and personal interviews. Secondary data, on the other hand, are data that have already been collected through primary sources and are ready for researchers to use in their own research (Kothari, 2004).

The information was gathered from a variety of primary and secondary sources. Primary data, such as observation, inquiry, and personal interviews, refers to first-hand information acquired by the researcher and is considered to be unique in nature. Secondary data, on the other hand, is information that has already been gathered from primary sources and is ready to be used by researchers in their own studies.

The data was compiled from a number of primary and secondary sources. Primary data, such as observation, inquiry, and personal interviews, refers to first-hand information gathered by the researcher and is regarded one-of-a-kind. Secondary data, on the other hand, is information that has already been obtained from primary sources and is ready for researchers to use in their own investigations (Kothari, 2000).

Accordingly, the researcher used both primary and secondary data sources. The primary data is acquired by using questionnaires and interviews. Questionnaires were distributed to members of the union and interviews were conducted for the human resources officer and other union officials. The questionnaires were collected systematically by obtaining answers on key issues and opinions that needed to be explored in the study. The questionnaire included both structured and unstructured questions. On the other hand, an in-depth interview was conducted to acquire qualitative data from individuals who have knowledge about the subject matter. In collecting secondary data, Ethiopian Labor Proclamation 1159/19, the company's annual report, magazines, the collective agreements and brochures are included. In addition, labor union articles of association, CETU reports and magazines, and other books that are related to the title were used.

3.5 Procedures of Data Collection

The data was collected through questionnaires, interviews, and document analysis. Both structured and unstructured questionnaires were prepared in English, and for those who couldn't understand English, the questionnaire was translated to Amharic so that respondents were able to express as many ideas as possible. First-pilot questionnaires were distributed to 10 employees. Based on the feedback from workers and the pilot test, corrections were made to the questions in the questionnaires. A total of 256 questionnaires were distributed, and 250 questionnaires were collected. A thorough and all-around interview was conducted with the union leaders and with people from human resources.

3.6 Method of Data Analysis

Data analysis, according to Shamoo and Resnik (2003), is the systematic use of statistical or logical techniques to describe, illustrate, and evaluate data. In many cases, analysis becomes a continuous simultaneous process where data is continuously collected and analyzed. Research is always seen as a series of overlapping activities that are being carried out simultaneously. In this study, the data gathered through a questionnaire was analyzed and summarized by using descriptive statistics such as tables, frequency distributions, and percentages. The qualitative and the summarized quantitative data were also analyzed in brief according to the theoretical framework of the study in order to arrive at a meaningful conclusion. The statistics package for social science (SPSS) was used in the analysis of the survey.

3.7 Ethical Consideration

The overall objective and in-depth explanation of the study and its objectives would be given to all respondents in advance before dealing with the questioner and interviews.

The researcher used data that was collected through a self-administrated questionnaire. Respondents were informed not to write their names on the questioner. Participation in this research work was based on their interest. Respondents were informed that they could decline if they didn't want to be participants without any unfavorable consequences. Besides this, the survey questionnaires provided to respondents included information on confidentiality and anonymity. Lastly, before each interview, the confidentiality of the information given by respondents was explained, and lastly, the researchers tried to make it clear the purpose of the study would be communicated to respondents.

3.8 Reliability and Validity

Research should have a measurement tool to be considered as standard research. These are the two major measurement tools, and a sound measurement tool must meet the tests of validity and reliability.

Validity refers to how the measurement tools accurately measure what they are intended to measure. If research is said to be valid, that means it is really measuring what it is intended to measure and gives an accurate picture of the research area. It is the most important criterion and indicates the degree to which an instrument measures what it is supposed to measure. Validity is the extent to which the results of research provide a true picture of what is being studied. (Kothari, 2004).

The other important test of sound measurement is the test of reliability. It is the degree to which a construct's measure is consistent or dependable. Asking only those questions where respondents may know the issues that they care about, avoiding ambiguous items in measures, and simplifying the wording in measures can improve the reliability of measurement tools. It is concerned with the ability of an instrument to measure consistently and the accuracy and precision of a measurement tool (Bhattacharjee, 2012).

This study gave due attention to meeting reliability and validity criteria for measurement tools. The research was conducted in English, and for those respondents who couldn't understand English, an attempt was made to interpret the questionnaires into Amharic.

The researcher consulted individuals who have knowledge of the subject area to determine whether the measurement would be able to test what it is supposed to test in order to ascertain the validity of this research measurement. The reliability of the research was also proven by pre-testing the questionnaire before actually administering it. It was conducted in order to make sure that participants would have no problems understanding and answering questions. This was also to make sure whether the questions were capable of bringing the appropriate information or not.

Finally, the reliability of the measurement tools was analyzed and tested with the Cronbach's Alpha Test (Khoa D. Nguyen, 2010).

3.8.1 Reliability Test

Reliability is the degree to which the measure of a construct is consistent or dependable. There are many ways of estimating reliability one of which is internal consistency reliability. It is a measure of consistency between different items of the same construct. If a multiple-item construct measure is administered to respondents, the extent to which respondents rate those items in a similar manner is a reflection of internal consistency. This reliability can be estimated in terms of Cronbach's alpha (Bhattacharjee, 2012). Zikmund (2003) stated that the researcher should conduct the pre-testing to ensure the questionnaire's reliability and to make sure that measures are free from error and therefore yield consistent result. The reliability of the questions for each variable are obtained when Cronbach's coefficient alpha is *at least 0.6*. And the internal consistency and reliability of the questions is considered higher, if the result is near to 1. In general, a reliability of a scale or item may fall between 0 and 1. George and (Mallery, 2003) also stated that a reliability score of greater than 0.9 is excellent, greater than 0.8 is good, greater than 0.7 is acceptable, greater than 0.6 questionable, greater than 0.5 is poor and less than 0.5 is unacceptable.

In this research, Cronbach's alpha model was used with 6 scales (member's opinion on over all labor union representative role, role of labor union in collective agreement negotiation & practice, role in dispute and grievance handling, role in employee participation, role union in

industrial democracy, role in communication & employees Voice, opinion regarding why do employee join union and employee's opinion towards good employee relation).

Accordingly, based on these scale items, the overall reliability of the questionnaire is 0.764, which is at acceptable level according to a criterion set by (George and Mallery, 2003). Table 3.1 below depicts reliability of the survey questionnaire using Cronbach's alpha.

Table 3. 1: Reliability of the Survey Questionnaire

Reliability Statistics				
	Cronbach's Alpha	N of Items		
	.764	7		

Item-Total Statistics				
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Cumulative Average Mean: Opinion on Collective Agreement Negotiation	17.80	9.070	.619	.706
Cumulative Average Mean: Opinion on Dispute & Grievance Handling	17.94	7.270	.775	.655
Cumulative Average Mean: Opinion on Employees Participation	18.00	9.881	.250	.800
Cumulative Average Mean: Opinion Communication & Employees Voice	17.98	7.373	.783	.654
Cumulative Mean: Opinion on Member Benefit Protection	16.38	12.314	.013	.793
Cumulative Average Mean: Opinion in Promoting Industrial Democracy	17.41	9.909	.616	.719
Cumulative Average Mean: Over All Employee Relation	17.31	10.850	.364	.757

Source: Survey Questionnaire (2022)

The reliability for each scale was measured using Cronbach's alpha and the table shows inter-item correlation and the possible changes on reliability if an item is deleted from the scale. Therefore, it can be said from above (table 3.1) that the measurement instruments of this study are reliable.

CHAPTER FOUR

4. RESULT & DISSCUTION

In this chapter of the study, the data collected from employees of BOA through closed-end and open-ended questions was analyzed. The main purpose of the study was to identify the role of labor unions in employees' relations in the case of BOA. To achieve the objective of the research, 256 sample respondents were selected by using Yamane's (1967) sample size determination formula. The data collected was entered into SPSS version 28, and various statistical steps were applied to arrive at the desired output for analysis and presentation. The summary of the commutative mean of each construct presented in this chapter. The analysis part was done by using both descriptive and inferential statistics.

4.1 Analysis of Demographic Variables

In this part of the paper, demographic profiles of respondents were analyzed to show what happens to the role of labor unions in employees' relations in the case of BOA. When investigating the impact of social aspects, demographical questions were included in the surveys about such matters as gender, age, level of education, and the like (Choudrie J& Dwivedi Y., 2006). Therefore, the demographic variables of this thesis for discussion were gender, age, level of education, service year, and labor union membership status. The last two were added in the researcher's interest in meeting the target of the study.

Demographics describe population in terms of its size, distribution, structure and vital characteristics or personal characteristics of member respondents such as age, education, economic conditions.

Table 4.1 below shows demographic background of respondents.

Table 4. 1: Demographic Background of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Gender	Male	127	49.6	50.8	50.8
	Female	123	48.0	49.2	100.0
	Total	250	97.7	100.0	

Missing		6	2.3		
Total		256	100.0		
Age	21 To 30	78	30.5	31.2	31.2
	31 To 40	124	48.4	49.6	80.8
	41 To 50	33	12.9	13.2	94.0
	51 To 60	15	5.9	6.0	100.0
	Total	250	97.7	100.0	
	Missing	6	2.3		
Total		256	100.0		
Educational	Below 12	41	16.01	16.4	16.4
	TVET	90	35.15	36.0	52.4
	First degree	111	43.4	44.4	96.8
	Second degree MA/MSc	8	3.1	3.2	100.0
	Total	250	97.7	100.0	
	Missing	6	2.3		
Total		256	100.0		
Experience	1 year or less	23	9.0	9.2	9.2
	2 years to 5 years	130	50.8	52.0	61.2
	6 years to 10 years	69	27.0	27.6	88.8
	Over 10	28	10.9	11.2	100.0

	years				
	Total	250	97.7	100.0	
	Missing	6	2.3		
Total		256	100.0		
Labor Union membership status	1 year or less	58	22.7	23.2	23.2
	2 years to 5 years	176	68.8	70.4	93.6
	6 years to 10 years	16	6.3	6.4	100.0
	Total	250	97.7	100.0	
	Missing	6	2.3		
Total		256	100.0		

Source: Survey Questionnaire (2022)

As mentioned in Table 4.1, item 1, the gender distribution of respondents is 50.8 % (127) of the respondents are male while the rest 49.2% (123) were female this implies that in there is fair gender treatment in BOA, because the gender distribution is almost equal.

As the age distribution (see table 4.1, item 2) 31.2 % of the respondents are below 30 years and 49.6% of the respondents are found between the ages 31 to 40 years. 13.2% of the respondents are found between the ages 41 to 50 years. While the rest 6 % of the respondents are found above the age of 50 years. An implication of age it crates age diversity in the work place that provides a larger spectrum of knowledge, values and preferences and BOA has young staff.

Educational background also shown (see table 4.1, item 3) 52.4% of the respondents have TVET 36% & 12 & below and 16.4% of the respondents have first degree. 3.2% of the respondents have Second degree MA/MSC. As a result, the people who have higher educational background need better payment and good working condition as well as higher education can allows the employees to improve their chances of progressing with in the business and make a higher value

contribution to the business success. Additionally, improve their earnings potential within the company and industry.

Distribution of respondents with regard to years of service in the bank shown us that majority of the respondents (see table 4.1, item 4) 52% served the bank between 2-5 years and the remaining 27.6 % found between 6-10 years, 11.2 % found over 10 years and the remaining 9.2% are served the bank for less than a year.

As we can see Table 4.1, item 5, the question that have been a membership of the Labor Union in years, 70.4% of the respondents are in between 2-5 years and 23.2% of the respondents are below one year. While the rest 6.4 % of the respondents in between from 6 to 10 years. based on the data most of respondents are new to the labor union that implies workers are in labor unions that benefited from collective bargaining power to negotiate with employers on their behalf.

4.2 Descriptive Analysis of the Study Variables

This part of the analysis was made based on survey questionnaires gathered from 250 employees of BOA using 5-point Likert scale (see Appendix I). The study has nine variables: role of union on collective agreement negotiation & practice, opinion on the role union on dispute and grievance handling, role of union on employee participation, role on communication & being employees voice, role of union in promoting industrial democracy, opinion regarding why do employee join union, opinion some other employees do no join union employee's & opinion towards good employee relation, role of labor union in protection benefits of its members,

The researcher considered, for his measure, an inherent assumption, which states that with the usage of any scale that although the scale is truly ordinal in nature, it is assumed to be on an interval scale with which statistical properties such as the mean can be justifiably used. It is an assumption made quite frequently in empirical studies (Edmindson. R, 2005). Accordingly, the paper applied mean and standard deviation as the best measures for analysis based on the mean range developed by (Al-Sayaad, 2006) of the following table:

Table 4. 2: Five-Scaled Likert Criterion

No.	Mean Range	Response Options
1	[1.00, 1.80]	Strongly Disagree
2	(1.80, 2.60]	Disagree
3	(2.60, 3.40]	Neutral
4	(3.40, 4.20]	Agree
5	(4.20, 5.00]	Strongly Agree

Source: (Al-Sayaad, 2006)

Standard deviation is a widely used measurement of variability or diversity used in statistics and probability theory. It shows how much variation or "dispersion" there is from the average (mean, or expected value). A low standard deviation indicates that the data points tend to be very close to the mean, whereas high standard deviation indicates that the data are spread out over a large range of values. The minimum and maximum values are also considered to show that exact answers of the respondents of the questionnaire; because they are not all incorporated in that mean (average) value only. The sample mean is to show the majority of respondents as best predictors of the population and hence to infer for others (i.e., the whole employees of BOA in this particular study).

In this sub-section, descriptive statistics with minimum and maximum response scales, mean and standard deviation are applied for analysis.

Descriptive statistics stand for the conversion of raw data into useful information, which can be interpreted to explain a group of dimensions (Bryman& Bell., 2007). The researcher used respondents' answers from the questionnaire using SPSS version 28; and MS Excel 2013 for overall mean computation of each scale items for the variables; collective agreement negotiation & practice, opinion towards dispute and grievance handling, opinion on employee participation, opinion on communication & employees Voice, opinion regarding why do employee join union and opinion some other employees do no join union, employees opinion towards good employee relation, role union in industrial democracy,

role of labor union in protection benefits of its members and opinion toward overall employee relation

4.2.1 Descriptive Analysis on members Opinion towards Collective Agreement Negotiation & Implementation.

The basic role of a labor union is negotiating with the management of the company and safeguard the financial ,safe working place and ensuring the job security of its members. It is also its main role to monitor the proper implementation of the collective agreement.

Table 4. 3: Descriptive Statistics on Employees overall Opinion towards the role the union in Collective Agreement Negotiation & Practice

One of the basic role of a labour union is to negotiate a collective agreement and look for its proper practise. The union is expected collect information regarding what types of issues should be included beforehand. To that end union should communicate with their members using different communication channels. They should negotiate that will bring financial and form of benefits to members. other forms of rights.

Ode	Variables	Valid	Missing	Mean	Std. Deviation	Minimum	Maximum
A1	The labor union discuss with its members and collect information that should be included in the collective agreement	250	6	2.2440	1.2740	1	5
A2	When the labor union call for collective agreement, the management is willing to bargain on time.	250	6	3.7800	0.5183	1	5
A3	Bargaining between labor unions and management always results in better working conditions for its members, raising their living standards.	250	6	3.0160	1.2123	1	5
A4	The bargaining system in the bank is based on objective assessment and	250	6	2.3000	1.2099	1	5

	proper information.						
A5	Labor union representatives are in a strong position to monitor the Bank's collective bargaining agreement's implementation.	250	6	2.5800	1.2529	1	5
A6	The collective agreement do not restricts employees seeking justices & Pursuing rightness	250	6	2.7240	1.2353	1	5
A7	The collective bargaining goes through dialogue, consensus, good faith and in the absence of Mediator	250	6	2.7080	1.2669	1	5
Overall Attitude towards union role on Collective Agreement Negotiation & Practice		250	6	2.7646	1.1385	1	5

Source: Survey Questionnaire (2022)

Table 4.3 above presents the respondents attitude towards collective agreement negotiation & practice of BOA. The overall mean score of this variable is 2.76 with the standard deviation of 1.13. According to the criterion set under table4.2, the mean value falls to “neutral level” of the respondents. It has also the overall minimum mean value of 1 at strongly disagree level and maximum of 5 strongly agree level for the seven collective agreement negotiation & practice scale items of the variable.

As can be seen from the above table, the first scale item of A6, which says “when the labor union call for collective agreement, the management is willing to bargain on time.”, has the highest mean value (3.78) with a standard deviation of .51. It has also the minimum value of 1 at strongly disagree level and maximum value of 5, strongly agree level. According to Fifth-Scaled Likert Criteria of Al-Sayaad et al. (2006) of Table 4.3, the mean value falls on the response scale of agree. So, it implies that most employees of BOA agreed on When the labor union call for collective agreement, the management is willing to bargain on time (see table 4.4 above).

The sentence “bargaining between labor unions and management always results in better working conditions for its members, raising their living standards.” has a mean value of 3.016 with the standard deviation of 1.21. The item has also minimum and maximum scores, 1 and 5 respectively as to the overall nine constructs.

Likert Criteria of Al-Sayaad et al. (2006) of Table 4.3, the mean value falls on the response scale of Neutral. So, it implies that most employees of BOA indifferent on bargaining between labor unions and management always results in better working conditions for its members, raising their living standard (Table 4.4 above)

As can be seen from the above table, the six-scale item of A6, which says “The collective agreement do not restricts employees seeking justices & pursuing rightness”, has the third highest mean value (2.72) with a standard deviation of 1.2353. It has also the minimum value of 1 at strongly disagree level and maximum value of 5, strongly agree level. According to Fifth-Scaled Likert Criteria of Al-Sayaad et al. (2006) of Table 4.3, the mean value falls on the response scale of Neutral. So, it implies that most employees of BOA indifferent on collective agreement restricts employees seeking justices & pursuing rightness (see table 4.4 above).

The next, which states “the collective bargaining goes through dialogue, consensus, and good faith in the absence of mediator”, has mean value of 2.708 and standard deviation of 1.2669. This mean value also has a response scale equivalence of neutral with the construct item. From this, one, we can say that employees of BOA, on average, have indifferent attitude to the collective bargaining goes through dialogue, consensus, and good faith in the absence of Mediator. Turning to the minimum and maximum values of Table 4.3 above, it shows 1 as minimum and 5 as maximum that implies the existence of respondents from strongly disagree to strongly agree, respectively.

The scale item, “Labour union representatives are in a strong position to monitor the Bank's collective bargaining agreement's implementation.” has mean value of 2.59 and standard deviation of 1.24. It has the minimum value of 1 (strongly disagree) and maximum value of 5 (strongly agree). Similarly, the mean value (2.59) has the equivalence response scale of disagree

in such a way that most employees of BOA have the distrust on the bank's Labour union strength.

Moreover, the other two construct items, "The bargaining system in the bank is based on objective assessment and proper information." and "The labor union discuss with its members and collect information that should be included in the collective agreement." have the equivalence of "disagree" levels that have the mean values of 2.30 and 2.24 with standard deviations of 1.20 and 1.27, respectively. The minimum scores of both sentences have 1 (strongly disagree) and the maximum of 5 (strongly agree).

This indicates that most respondents have disagreed to the questions raised under the collective agreement negotiation & practice dimension. The implication could be that BOA has poor collective agreement negotiation & practice. The other implication could be that the bank's labor union is in a weak position in both negotiation and to monitor the bank's collective bargaining agreement's implementation.

4.2.2 Descriptive Analysis on Opinion towards Dispute and Grievance Handling.

Dispute and grievance handling are study sought to examine the role of grievance handling procedures on employees' relation in BOA. Grievance is any form of disputes, injustice experienced by the employees at the workplace. An employee may raise a grievance when they feel the collective agreement is being violated. Any form of grievance is being handled with the help of collective bargaining involving representatives from the employer and trade union members. This construct compares the grievance-handling procedure of a bank with the model and measures its effectiveness by analyzing the satisfaction of the individual worker as a subjective measure.

Table 4. 4: Descriptive Statistics on Union role on Dispute and Grievance Handling.

Code	Variables	Valid	Missing	Mean	Std. Deviation	Min	Max
B1	The bank has proper grievance and dispute handling guideline and procedure to solve conflict	250	6	3.40	1.07	1	5

B2	When an employee makes a mistake, the employer might impose a fine or terminate employee contact after consulting with the labour union.	250	6	3.32	1.11	1	5
B3	Conflict resolution are taking place with mediation procedure are properly practiced in the bank	250	6	3.28	0.92	1	5
B4	Involvements of third parties are not common involvements of third parties are not common in BOA dispute & grievance handling procedure.	250	6	3.34	0.78	1	5
Attitude towards the role of labor union in Dispute and Grievance Handling		250	6	3.33	0.97	1	5

Source: Survey Questionnaire (2022)

Table 4.4 also presents the dispute & Grievance handling procedure of the bank towards the employees' relation of BOA as measured through intention. Each and the overall minimum scores are 1(one) whereas the maximum values are 5 (five). Here, all response scales (strongly disagree to strongly agree) exist in the answers of the respondents. The overall average mean of the respondents is 3.32 with the standard deviation of .97. Based on table 4.2, this overall average mean value is at “neutral” level of response scale.

With regard to each item, the scale “Involvements of third parties are not common in BOA dispute & grievance handling procedure.” has the highest mean value of 3.34. This is equivalent to a “neutral” response scale. But the item that has the least mean value of 2.30 is the sentence that says “When an employee makes a mistake, the employer might impose a fine or terminate employee contact after consulting with the labor union.” It falls to the “neutral” level of the response scale. It is highly dispersed at a value of 1.11. Similarly, the item “The bank has proper grievance and dispute handling guideline and procedure to solve conflict” has the mean value of 3.4, which is again highly dispersed at 1.07. This mean is also at agree response scale. Out of four disputes & Grievance handling procedure items, three have a “agree” response scale, while the remaining of one sentence have “neutral” scales. Similarly, the overall average mean of BOA

employees is agreed to the raised questions under the dispute & Grievance handling procedure dimension.

The implication could be that the management is poorly concerned to the settlement of disputes / grievances at the workplace. Employees' grievances are the manifestation of their dissatisfaction against their working conditions, managerial decisions and other work-related issues. If the grievances are not resolved promptly, it may lead to frustration among employees.

4.2.3 Descriptive Analysis on role union in Employee participation

Employees' participation is a process in which employees take control of their work and its conditions by incorporating their involvement in decisions regarding their work (Strauss, 2006). In this process, employees share decision-making power regarding their tasks with their superiors individually. Employees are also participated in the affairs of their organizational collectively through their labor union. In this case determines the relationship between types of employee participation on employees' relation. Table 4.5 below shows descriptive statistics on employee participation.

Table 4. 5: Descriptive Analysis role union on Opinion on Employee participation

Code	Variables	Valid	Missing	Mean	Std. Deviation	Min	Max
C1	Conflict resolution are taking place without mediation procedure are properly practiced in the bank	250	6	3.72	0.78	1	5
C2	Labor union take part in preparation & implementation strategic plan, organizational structure, benefit package & other committee s	250	6	2.42	1.42	1	5
C3	Employees are allowed to involve in decision in their specific area like quality circle & other forms	250	6	2.50	1.31	1	5
C4	By allowing employees to engage in employment matters, collective	250	6	2.28	1.21	1	5

bargaining serves to strengthen democracy in the bank.						
Overall Attitude towards the role of labor union n Employee participation	250	6	2.73	1.18	1	5

Source: Survey Questionnaire (2022)

From the table, the aggregate mean value of the overall attitude towards Employee participation has become 2.73. According to the five-scaled mean criterion of Al-Sayaad et al. (2006), it has the response scale of “Neutral”. Its dispersion is 1.18 from the mean; and the minimum score is 1 equivalent to “strongly disagree” whereas the maximum is 5 with “strongly agree”. So, the overall answers of employees of BOA under study are found up to their two opposite extreme levels. Only one scale items of Employee participation have mean values greater than 3.4 of “agree” level of stated criteria under table 4.2 above.

With regard to all the 4 scale items, the sentence “Conflict resolution are taking place without mediation procedure are properly practiced in the bank” has the highest mean value of 3.72 followed by the mean score of 2.50 for the question “Employees are allowed to involve in decision in their specific area like quality circle & other forms”. There is also the mean value of 2.42 & 2.28 in respect of scale items “Labour union take part in preparation & implementation strategic plan, organizational structure, benefit package & others” and “By allowing employees to engage in employment matters, collective bargaining serves to strengthen democracy in the bank” with dispersions value of 1.42 and 1.18 respectively.

Therefore, in these cases, there is implication that the bank has poor employee participation in decision making process. The bank doesn’t allow employees to engage in employment matters, collective bargaining do not serve to strengthen democracy in the bank.

4.2.4 Descriptive Analysis on Overall Attitude towards role union on Communication & being Employees Voice

Employees have a voice when their views are proactively sought, their ideas are actively listened to, they’re allowed to challenge the status quo or point out troublesome issues without fear of

repercussions, and believe that management is responsive to their needs. Table 4.5 below shows descriptive statistics on Communication & Employees Voice.

Table 4. 6: Descriptive Analysis on role of union on Communication & being Employees Voice

Code	Variables	N		Mean	Std. Deviation	Minimum	Maximum
		Valid	Missing				
D1	The union is crucial in assisting employees in understanding their rights and responsibilities.	250	6	2.58	1.22	1.000	5
D2	The labour union communicate its employees periodically with meeting, publication and other methods	250	6	2.30	1.18	1.000	5
D3	Employees voices are aired by the employees themselves & with the labour union and give promote replay by the management	250	6	2.60	1.22	1.000	5
Overall Attitude towards Opinion on role of union on Communication & Employees Voice		250	6	2.49349	1.2067278	1	5

Source: Survey Questionnaire (2022)

From this table, the aggregate mean value of the Overall Attitude towards Communication & Employees Voice has become 2.49. According to the five-scaled mean criterion of Al-Sayaad et al. (2006), it has the response scale of “disagree”. Its dispersion is 1.206 from the mean; and the minimum score is 1 equivalent to “strongly disagree” whereas the maximum is 5 with “strongly agree”. So, the overall answers of employees of BOA under study are found up to their two opposite extreme levels.

With regard to all the 3 scale items, the sentence “Employees voices are aired by the employees themselves & with the labour union and give promote replay by the management” has the highest mean value of 2.60 followed by the mean score of 2.58 for the question “The union is crucial in assisting employees in understanding their rights and responsibilities.”. There is also the minimum mean value of 2.30 in respect of scale items “The labour union communicate its employees periodically with meeting, publication and other methods” with dispersions value of 1.22, 1.22 and 1.18 respectively.

From the above table, out of three Communication & Employees Voice scale items, only one has a “Neutral” response scale, while the remaining of two sentences have “disagree” scales. Similarly, the overall average mean of BOA employees is disagreed to the raised questions under the Communication & Employees Voice dimension.

One can understand from the above data that the union is poor in designing mechanism where by it can crate consistent Communications that employees Voice heard.union has insignificant role in assisting employees in understanding their rights and responsibilities. Employee indifferent in questions employee’s voices are aired by the employees themselves & with the labour union and give promote replay by the management.

4.2.4 Descriptive Analysis towards Opinion regarding why employee join union

A labor union is an organization that acts as an intermediary between its members and the business that employee them. The employees may join the union to get the power to negotiate for more favorable working conditions and other benefit through collective bargaining, this perception is very subjective in nature.

Table 4. 7: Descriptive Statistics on Opinion regarding why employee join union

Code	Variables	N		Mean	Std. Deviation	Minimum	Maximum
		Valid	Missing				
E1	I join a labour union because I believe it will improve my financial situation by bargaining	256	6	4.22	0.71	3.000	5

	with my company.						
E2	The labour union will protect me from abuse and will also ensure my job security	256	6	4.37	0.58	3.000	5
E3	I can also get legal support and financial benefit from the labour union investment	256	6	3.70	0.46	3.000	4
Overall Attitude towards Opinion regarding why do employee join union		256	6	4.08593 8	0.5817493 3	3	4.666666 7

Source: Survey Questionnaire (2022)

As described in detail in Table 4.7 above, the aggregate mean value of the Overall Attitude towards the intent of employees to join the union has become 4.08. According to the five-scaled mean criterion of Al-Sayaad et al. (2006), it has the response scale of “Agree”. Its dispersion is .58 from the mean; and the minimum score is 3 equivalents to “Neutral” whereas the maximum is 4.66 with “strongly agree”.

However, with regard to all the 3 scale items one by one, the sentence “The labour union will protect me from abuse and will also ensure my job security” has the highest mean value of 4.36 followed by the mean score of 4.20 for the question “I join a labour union because I believe it will improve my financial situation by bargaining with my company.” There is also the minimum mean value of 3.7 in respect of scale items “I can also get support advice, legal support and financial benefit from the labour union investment” with dispersions value of .58, .71 and .46 respectively.

From the above table we can conclude that, out of three intents of employees to join the union scale items, only one has “agree” response scale, while the remaining of two sentences have “strongly agree” scales. Similarly, the overall average mean of BOA employees are strongly agreed to the raised questions under the intent of employees to join the union dimension.

The implication could be that, the employees’ joining the union for Economic reasons like; higher salaries, increased benefits, and for improved working conditions. The other major

reasons are job security; one basic human need is security. In the work environment, employees find themselves in a dependent relationship on their bosses and on what they probably view as impersonal organizations. They want to know that their jobs will exist in the future and that they will be protected against unfair or arbitrary treatment.

So as to triangulate my study with other studies, I tried to examine two studies in the same area in different originations. A study conducted by Mahilte (2016) on the role of labor unions in the Commercial Bank of Ethiopia found that most responded to the question "Why do you join the union?" to make sure that they have greater job security and followed by having greater say and involvement in negotiating and setting terms and conditions of employment.

In similar fashion, in another study conducted by Sewnet (2017) on the title assessment of employee relations, a case study of Arbaminch farm and ginning Amibara agricultural development plc, the majority of the respondents agreed on the stated reasons for their membership to the labor union by mentioning that the labor union protects them from abuse and will also ensure their job security and that the following union enhances their financial benefit through negotiating with the employer.

Whereas, in my study most respondents joined the union so as to get better financial benefit with the negotiation conducted between the union and the management. In the other hand in the above studies employees joined their union for protection against illegal measures taken by the management

4.2.5 Descriptive Analysis towards Opinion regarding why employees would not want to join a union

Employees join unions because of their dissatisfaction with how management treats employees and a belief that the union can make conditions in the workplace better. But some other employees might be unwilling to join the union because of different factors, this perception is very subjective in nature.

Table 4. 8: Descriptive Statistics on Opinion regarding why employees would not want to join a union

Code	Variables	N		Mean	Std. Deviation	Minimum	Maximum
		Valid	Missing				
F1	The union fail to approached and teach the benefit of being a	256	6	3.75	0.518	3	5

	member						
F2	They are not convinced with the capacity of the union to promote their interest	256	6	4.24	0.633	3	5
F3	If they join the union the management would intimidate them	256	6	2.33	0.766	1	4
F4	The employer has clearly policy and procedure regarding our employment relationship thus the labour union will not add any value.	256	6	2.36	0.957	1	4
Opinion regarding why employees would not want to join a union		256	6	3.170898	0.718859	2	4.5

Source: Survey Questionnaire (2022)

Table 4.8 also presents the Opinion regarding why employees would not want to join a union. Each and the overall minimum scores are 2 whereas the maximum values are 4.5. Here, all response scales (disagree to strongly agree) exist in the answers of the respondents. The overall average mean of the respondents is 3.1 with the standard deviation of .718. Based on table 4.2, this overall average mean value is at “Neutral” level of response scale.

With regard to each item, the scale “They are not convinced with the capacity of the union to promote their interest.” has the highest mean value of 4.22. This is equivalent to a “strongly agree” response scale. Followed by the mean score of 3.75 for the question “The union fail to approached and teach the benefit of being a member.” with the standard deviation of .518. According to the criterion set under table4.2, the mean value falls to “agree level” of the respondents. However, the item that has the least mean value of 2.34 is the sentence that says “If they join the union the management would intimidate them.” It falls to the “disagree” level of the response scale. It is highly dispersed at a value of .766. Similarly, the item “The employer has clearly policy and procedure regarding our employment relationship thus the labour union will

not add any value.” has the mean value of 2.37, with the standard deviation of .957. This mean is also at “disagree levels” response scale.

The implication could be that, most of employees are not convinced with the capacity of the union to promote their interest they believed that the union fail to approached and teach the benefit of being a member.

4.2.6 Descriptive Analysis towards Opinion Protecting Members benefit

It is also important for a labor union to protect their members benefit. These benefit range from salary increment bonus , protective device working hours other benefits. All these benefits are negotiated at the time of collective agreement negotiation.

Table 4. 9: Descriptive Statistics on Role of labor union in protection benefits of its members

Code	Variables	Valid	Missing	Mean	Std. Deviation	Min	Max
G1	The labor union has tried to improving and regulating such issues as salary, increment, bonus, working conditions and training	250	6	3.52	0.89	1	5
G2	The labor union is strong in protecting employees from illegal practice by the management.	250	6	3.28	0.95	1	5
G3	The labor union provides support those employees who are in need of help (financial or legal advice)	250	6	3.66	0.81	1	5
Overall Attitude towards Role of labor union in protection benefits of its members		250	6	3.49	0.88	1	5

Source: Survey Questionnaire (2022)

From this table, the aggregate mean value of Overall Attitude towards Role of labor union in protection benefits of its members has become 3.49. According to the five-scaled mean criterion

of Al-Sayaad et al. (2006), it has the response scale of “agree” level. Its dispersion is .88 from the mean; and the minimum score is 1 equivalent to “strongly disagree” whereas the maximum is 5 with “strongly agree”. So, the overall answers of employees of BOA under study are found up to their two opposite extreme levels.

With regard to all the 3 scale items, the sentence “The labor union provides support those employees who are in need of help (Financial or legal support)” has the highest mean value of 3.66 followed by the mean score of 3.52 for the question “The labor union has tried to in improving and regulating such issues as salary increment, bonus, working conditions, training and layoffs.”. There is also the minimum mean value of 3.28 in respect of scale items “The labor union is strong in protecting employees from illegal practice by the management.” with dispersions value of 0.81, .89 and .95 respectively.

From the above table, out of three role of labor union in protection members from illegal practices scale items, only one has a “Neutral” response scale, while the remaining of two sentences have “agree” scales. Similarly, the overall average mean of BOA employees is agreed to the raised questions under the role of labor union in protection benefits of its members.

The implication could be that; the labor union has significant role in protection benefits of its members.

4.2.7 Descriptive Analysis towards Opinion Promoting Industrial Democracy

Labor union are expected to teach members to know their right and their obligation. They should encourage employee to deal with to their immediate both and participate on their own area of operation . They should also encourage solve problems at the spot and bring those cases that are not solved for further discussion with the management of the Bank

Table 4. 10: Descriptive Statistics on the role of labor union in promoting industrial democracy

Code	Variables	Valid	Missing	Mean	Std. Deviation	Min	Max
H1	The practices of the union are according to the interests and needs of the employees.	250	6	2.91	1.24	1	5

H2	The labor union encourages employees to express or discuss their personal problems with their superiors.	250	6	2.18	1.17	1	5
H3	The labor union leaders allow employees, to directly deal with all aspects of management through their representatives	250	6	1.81	0.95	1	5
H4	When the labor union has labor issues to discuss with the management, the management is willing to discuss on time.	250	6	3.25	0.99	1	5
Overall Attitude towards Role of labor in promoting democracy and employees voice		250	6	2.54	1.09	1	5

Source: Survey Questionnaire (2022)

From this table, the aggregate mean value of the Overall Attitude towards the Role of labor in promoting democracy and employees voice has become 2.54. According to the five-scaled mean criterion of Al-Sayaad et al. (2006), it has the response scale of “disagree”. Its dispersion is 1.09 from the mean; and the minimum score is 1 equivalent to “strongly disagree” whereas the maximum is 5 with “strongly agree”. So, the overall answers of employees of BOA under study are found up to their two opposite extreme levels.

With regard to all the 4 scale items, the sentence “When the labor union has labor issues to discuss with the management, the management is willing to discuss on time.” has the highest mean value of 3.25 followed by the mean score of 2.91 for the question “The practices of the union are according to the interests and needs of the employees.”. There is also the mean value of 2.18 & 1.81 in respect of scale items “The labor union encourages employees to express or discuss their personal problems with their superiors.” and “The labor union leaders allow employees, to directly deal with all aspects of management through their representatives.” with dispersions value of 1.17 and .95 respectively.

Therefore, in these cases, there is implication that the labor union has poor or insignificant role in promoting democracy and employees’ voice.

4.2.8 Descriptive Analysis on Employees opinion towards good employee relation

In this sub-section, descriptive statistics with minimum and maximum response scales, mean and standard deviation are applied for analysis.

Table 4. 11: Descriptive Statistics on Employees opinion towards overall good employee relation

Code	Variables	Valid	Valid	Mean	Std. Deviation	Min	Max
I1	The management consider employee relation as one of the strategic concerns	256	6	3.53	.919	1	5
I2	The labour union aligns its objectives with the objectives of the management	256	9	3.64	.806	1	5
I3	The labour union deals with the management to solve problems related to working conditions.	256	9	2.69	1.280	1	5
I4	The labour union has mutual understanding, trust and cooperation with the management.	256	6	2.76	1.253	1	5
I5	The relation between the management and the union is not amicable. There is strong management and weak union	256	6	3.82	0.47	3	5
Overall Attitude towards Employees opinion towards good employee relation		256	6	3.29	.94	1.4	5

Source: Survey Questionnaire (2022)

Table 4.11 above presents the attitude towards Employees opinion towards good employee relation. The overall mean score of this variable is 3.28 with the standard deviation of .94. According to the criterion set under table 4.2, the mean value falls to “Neutral level” of the

respondents. It has also the overall minimum mean value of 1.4 at strongly disagree level and maximum of 5 strongly agree level for the five scale items of the variable.

With regard to each item, the fifth scale item of good employee relation, which says “The relation between the management and the union is not amicable. There are strong management and weak union” has the highest mean value (3.82) with a standard deviation of .47. It has also the minimum value of 3 at neutral level and maximum value of 5, strongly agree level. According to Fifth-Scaled Likert Criteria of Al-Sayaad et al. (2006) of Table 4.2, the mean value falls on the response scale of agree. So, it implies that most of BOA believe on the existence of not amicable relation between the management and the union (see table 4.8 above).

The next, which states “The labour union aligns its objectives with the objectives of the management”, has mean value of 3.64 and standard deviation of .806. This mean value also has a response scale equivalence of agree with the construct item. From this, one can say that employees of BOA, on average, have agreed attitude to the the labour union aligns its objectives with the objectives of the management. Turning to the minimum and maximum values of Table 4.8 above, it shows 1 as minimum and 5 as maximum that implies the existence of respondents from strongly disagree to strongly agree, respectively.

The scale item, “The management consider employee relation as one of the strategic concerns.” has mean value of 3.53 and standard deviation of .919. It has the minimum value of 1 (strongly disagree) and maximum value of 5 (strongly agree). Similarly, the mean value (3.53) has the equivalence response scale of agree in such a way that most employee of BOA have agreed on the the labour union deals with the management to solve problems related to working conditions.

Moreover, the other two construct items, “The labour union has mutual understanding, trust and cooperation with the management.” and “The labour union deals with the management to solve problems related to working conditions.” have the equivalence of “neutral” levels that have the mean values of 2.76 and 2.69 with standard deviations of 1.250 and 1.28, respectively. The minimum scores of both sentences have 1 (strongly disagree) and the maximum of 5 (strongly agree).

4.3 Review of opinion from Open ended questionnaires

Respondents were asked to rate employee relations issues based on the magnitude of cases of grievances and complaints in the bank. They raised issues like cascading marketing target achievement, hours of work, working environment, promotion and career development, learning and development, and financial benefit. Most of the respondents' rates target achievement, working hours, working environment, promotion and development, financial benefit, and learning and development, respectively, as the major issues that can cause grievances have been observed in the bank.

Most respondents argued that exaggerated targets that are cascaded to an individual employee do not consider the objective reality of the branch and are set by district officials without consultation with the concerned employees or even branch management members, which are the major issues that can cause grievances in the bank. To achieve the target, the employees are expected to go to search for customers in hotels, bars, restaurants, and other institutions like factories, unlike the traditional bank approach where banks are served when customers come to their office. As a result, most employees are working in highly stressful conditions. They have been trying to achieve their target by working extra hours for which the bank does not pay overtime.

As to the question of what will be the practical solutions to be devised to overcome or address the issues that have arisen in employee relations, the union should be overhauled or revitalized. New union leaders should come to the front who can challenge the management and protect the members' interests. The union should have to have periodic meetings with its members and also have to have periodicals that serve as a medium of communication. Leaders should tour to selective branches and look for the employees' work situations and hire experts to assess the employee relations situation of the bank.

Besides these, the union leader should sit with the top management of BOA & discuss how the bank plays a role in strengthening the union that, in effect, directly or indirectly, contributes to the effectiveness of the bank. They should honestly identify areas of problems and devise mechanisms to settle them and maintain the rule of management and union engagement that enables both the management and the union to establish a healthy employee and employer relationship.

CHAPTER FIVE

5. SUMMERY OF FINDINGS, CONCLUSION AND RECOMMENDATION

This part of the study presents, summery of findings, conclusions, possible recommendations, and suggestions for further study.

5.1 Summery of Findings

The aim of this thesis is to assess the role of labor union in employee relations in Boa. To this end, data were collected from 15 branches and three district funds in Addis Ababa. The questionnaire was designed in the context of the theoretical foundation for attitude of employees towards the role of labor union in good employee relations; the role of labor unions in protecting members' benefits; employee participation & involvement, collective agreement negotiation and practice; the role of labor in industrial democracy; the role of labor union in employee communication and voice, dispute and grievance handling issues.

Accordingly, commutative average summery on a survey of 250 sample employees on the role of BOA, the response of employees of BOA stated in the following table:

Table 4.12: Summary of Descriptive Statistics on Employees' Opinions on the Role of labor union

No.	Variables	Dimension of Mean	SD
1	Attitude towards role of labor union on Collective Agreement Negotiation & Practice	2.76	1.13
2	Attitude towards the role of labor union in dispute and grievance handling	3.33	0.97
3	Attitude towards the role of labor union in Employee participation	2.73	1.18
4	Attitude towards the role of the union in communication and employees' voice	2.49	1.2
5	Attitudes toward the role of labor unions in protecting their	3.49	0.88

	members' benefits		
6	Attitude towards the role of labor in promoting industrial democracy	2.54	1.09
7	Opinion towards the role of labor union in overall good employee relations	3.29	0.94

Source: Survey Questionnaire (2022)

As shown in 4.13, the mean value of the attitude toward labor's role in collective agreement negotiation and union practices is 2.76. This indicates the labor union is not properly performing its role in this regard. The union does not discuss with its members and collect information that should be included in the collective agreement. Union representatives are not in a strong position to monitor the bank's collective bargaining agreement's implementation.

The researcher learnt from an interview with a union representative that the collective agreement negotiation was not conducted through consensus, dialog and good faith. They failed to agree on a number of issues, and the union took their case to the third part. The labor leaders believed there were issues left un-covered at the time of negotiation. The union was experiencing internal and external conflicts at the time of the negotiations. As a result, the management and the labor union failed to negotiate on the basis of the fundamental concept of collective bargaining, which is good faith negotiation. As a result, the negotiation required the involvement of a third party.

Likewise, table 4.13's mean dimension indicates the labor union was not in a strong position to monitor the bank's collective bargaining agreement's implementation. The bank has been implementing decentralization of major activities, especially human resource activities like recruitment, promotion, disciplinary measures, and other activities, since 2020 to districts. But the labor union does not have an adequate structure to cope with this situation.

According to collective agreement article 34.8, the bank allows executive committee members one day of union leave per month to participate in union activities. For a union with over 2000 members and hopes to attract up to 8000 employees, one day a month is insignificant. There is also a lack of capacity and a lack of commitment by union leaders at all levels. Besides these, the top management's unwillingness to discuss basic employee-related issues as per the collective

agreement has its own influence. So, from this, we can conclude that the bank's labor union is in a weak position in both negotiations and monitoring the bank's collective bargaining agreement's implementation.

The summary of the response on the role of labor union in grievance and dispute handling is 3.3. It indicates that most respondents are indifferent in this regard. When we look at the responses of members, we can understand the presence of proper grievance and dispute handling guidelines and procedures to resolve conflict. On the other hand, most respondents are different to the question. For example, when an employee makes a mistake, the employer might impose a fine or terminate employee contact after consulting with the labor union.

The implication could be that there is frustration among employees. Despite the fact that the bank's human resource manual and the collective agreement have laid down grievance handling procedures, grievances are not handled to the expectation of the members. The labor union leaders agreed that although some problems have been handled and solved, there are a number of issues that have been raised but not yet answered by the management. Though the union is a member of the discipline committee, there is a gap in consulting the labor union while taking disciplinary measures, especially at district level.

Accordingly, we can say that there is a grievance and dispute mechanism in the bank, but the role of the labor union in its implementation has short comings.

The mean of the overall role of labor union in employee participation is 2.7. This implies that the role of the labor union in employee participation is low. When we look at the responses, members do not agree with all the questions like: conflict resolution is taking place, the meditation procedure is properly practiced in the bank, the labor union takes part in the preparation and implementation of strategic plans, organizational structure, benefit package, and others, and employees are allowed to be involved in decisions in their specific areas like quality circle & other forms.

With the interview with the labor union representative, the researcher understands that, with its own limitations, the union participates in promotion, transfer, and discipline cases. But they didn't participate in the strategic plan and annual plan preparation and also in organizational

study and benefit scheme study of the bank. These issues highly affect the interests of members either positively or negatively.

From open ended questions collected from respondents, the researcher understood that respondents are disappointed with the decision-making process like annual marketing targets. The target is determined and sent to branches without consolidation with the branch and individual employees. Most of the time, the target does not consider the objective reality of a specific branch.

Consequently, one can conclude that the role of labor union in employees' participation individually as an employee and collectively as a union is not significant.

With regard to the respondent's reaction to the role of the labor union in communication and being an employee voice, they disagree with the cumulative mean of 2.49. This means that labor union' efforts in assisting employees in understanding their rights and responsibilities, communicating with their members through periodic meetings and other methods is low. Besides these, the union's role is to support employees to air their voices individually and as a union collectively and to give promote reply by the management is also low.

The union does not conduct regular annual meetings with its members. Their met with members only at the time of the election. If there were an annual meeting regularly, the union would have got the opportunity to present its report on its annual plan performance and introduce its plan for the coming budget year. Using such an opportunity, members may give feedback and raise questions that the union should give attention to. Beside this There is no union publication that can serve as a communication medium between the union and its members. In the absence of meeting & any publication, the union can't teach its members about their rights and responsibilities.

Accordingly, we can conclude that the role of the union in communication and being an employee voice is also low.

The summary of the mean opinion on the role of the labour union in protecting the benefits of its members is: agree. That is a cumulative mean of 3.49. This implies that respondents have a

mixed opinion. On the one hand, members are positive towards the union regarding proving and regulating such issues as salary increment and bonus annually, and also the labour union provides support to those employees who are in need of help, like financial or legal support. On the other hand, they disagree with the ability of the labour union to protect employees from illegal practice by management.

The researcher learned that the bank's salary structure and benefit scheme were implemented three years ago, before the current labour union leadership. As per the structure and benefit scheme package, the bank has paid better salaries and benefits to all employees: house allowance, transport allowance, cover medical expenses, insurance coverage, loan for a car, loan for a house, etc. It also provides an annual increment and a bonus payment each year.

Consequently, the labour union didn't have any contribution to the formulation and implementation of these benefits. Members in this regard might be that they have enjoyed these benefits. Besides this, the union has not yet to negotiate and bring in additional benefits in its tenure.

As to the overall attitude towards the role of labor in promoting industrial democracy, the cumulative mean is 2.54. Its implication is that members do not believe that the practices of the union are in accordance with the interests and needs of the employees. The labor union does not encourage members to express or discuss their personal problems with their superiors. The labor union leaders do not allow employees to deal with their superiors directly and bring cases to the union to deal with the management of the bank. Likewise, members also believe that when the labor union has labor issues to discuss with the management, the management is willing to discuss them on time.

What we can conclude from the cumulative mean is that the labor union has a poor or insignificant role in promoting industrial democracy. The union's effort to teach members about their duties and responsibilities and how to solve problems on the spot with their immediate supervisors is not low.

The researcher learned from an interview conducted with union and management representatives that some issues were discussed and solved with some officials of the bank. But there are other

problems that need the involvement of top-level management of the bank, and accessing the CEO and other top level management is not an easy task. All these things undermine the effort of the union in its role in promoting democracy in the bank.

Respondent members' attitudes toward the role of labor unions in good employee relations are neutral, or 3.29. This means that there is a mixed reaction among employees. On one hand, most respondents agree that the management considers employee relations as one of their strategic concerns, and the labor union aligns its objectives with those of the management.

On the other hand, most respondents disagree with the ability of the labor union to deal with the management to solve problems related to working conditions, and the labor union has mutual understanding, trust, and cooperation with the management. They also disagree with the statement that the relationship between the management and the union is amicable. They believe that there is strong management and a weak union in the bank.

The researcher learned that, on the one hand, the bank has a well-organized human resource policy that encompasses a wide range of administrative issues like i.e. salary, bonus, training, and other employee relations issues and tries to implement it. On the other hand, the bank's management record in dealing with employees individually and collectively, as a union in participation, involvement in decision making and properly handling their grievances, is not satisfactory

With the above explanation, it is a plausible conclusion that the role of the labor union in good employee relations is too low. There is a weak union and strong management, as the union's inability to deal with the management of the banks to overcome members' grievances as per the collective agreement and work with management to solve problems related to working conditions and the labor union's lack of mutual understanding, trust and cooperation with the management.

Respondents were asked to rate employee relations issues based on the magnitude of cases of grievances and complaints in the bank. They raised issues like cascading marketing target achievement, hours of work, working environment, promotion and career development, learning

and development, and financial benefit. Most of the respondents' rates of target achievement, working hours, working environment, promotion and development, financial benefit, and learning and development, respectively, are the major issues that cause grievances among employees in the bank.

5.2 Conclusions

The presence of good employee relations in an organization builds trust and confidence between employees and management, which in turn increases the motivation and commitment of employees. In this case, labor unions play a significant role in creating a conducive working relationship between employees and management by providing advice and support so that conflicts can be managed easily. Based on the quantitative and qualitative analysis and findings the following conclusions are made:

Members of the union have a neutral opinion of overall employee relations. This might be due to the fact that, on the one hand, the company has an attractive salary structure and benefit scheme and other administrative policies. This enables us to say that the management considers employee relations as a strategic concern. On the other hand, the banks' record in dealing with employees individually and collectively is not satisfactory.

A union member must hear and solve grievances through discussion with the concerned body. But in the BOA labor union, they do not have a mechanism to collect grievances as they don't have a meeting or periodical to collect them. Those grievances brought to the union are solved either through discussion with the management or by taking the case to a third party. Despite the fact that the union is involved in promotion, transfer, and some discipline, the role the union plays in ensuring participation is not satisfactory. Employees are neither participating in specific areas of operation individually, like setting marketing targets, nor collectively through their labor union. The labor union is not allowed to participate in major issues like annual planning and organizational structure and benefit scheme study.

Collective agreement negotiation and follow-up practices are the basic roles of a union. The third collective agreement that was negotiated by the incumbent union leadership was not conducted with dialoged consensus and with the principle of good faith negotiation. The union representative admitted that, while they negotiated the third collective agreement, many issues were left at the time of negotiation. As the union structure at district and branch is weak and the commitment of leaders is low, it follows that the proper implementation of the collective agreement is not significant.

With regard to communication, there is no annual meeting with members to discuss the state of affairs of the union and to reflect on their feedback and grievances. This could be an issue for discussion with the management. There is no publication that can serve as a medium of communication between the union and its members. Members do not express their views and are not well informed about what the union is doing.

Members have positive attitudes toward the role of the labor unions in protecting the benefits. But. The bank has a relatively attractive salary structure and benefit scheme, implemented three years ago, for which the union didn't have any contributions. Similarly, the third collective agreement, which was negotiated between management and the existing union leader, did not result in any benefit changes. The researcher understood that the presence of an attractive salary structure in the bank influenced respondents. On the other hand, the labor union provides different types of support to members when they fulfill the requirements.

The labor union do not fulfill their role of promoting industrial democracy. They do not create a platform to encourage employees to express or discuss their personal problems with their immediate superiors directly. They do not teach their members their rights and obligations and commit to the realization of their rights, both individually and collectively.

5.3 Recommendation

Under the summery, findings & Conclusion of this thesis, the researcher identified many weaknesses and some strengths. To fill the gap as a consequence of shortcomings and to persist on the strengths, the following possible recommendations are drawn:

- As the bank restructured its basic activities of the bank, recruitment, promotion, transfer, and other administrative activities to district and branch levels, the union should also strengthen its structure at district and branch levels.
- Provide capacity building to union leaders in all levels at head office, districts, and branch levels regarding labor law and the essence and practice of collective agreements and other human resources policies.
- The union should respect its rule & have a meeting with its members at least once a year whereby it should report its planned performance in the budget year and have its own publication that serves as a medium of communication between the union and its members. It enables us to get feedback and teach members about their rights.
- In the forthcoming collective agreement negotiation, the union should negotiate to allow labor union leaders to work on union affairs at the head office, if possible, full time or at least two days per week, and one day for district level union leaders, as opposed to the current situation in which they are only allowed one day per month and there is no agreed union leave for union leaders working at the district level.
- The union leaders should conduct a campaign throughout the country to teach employees the benefits of being a member and increase their membership so that they can increase revenue, improve leadership quality, and give an advantage in dealing with the management of the bank.
- The labor union should attempt to increase its participation in all affairs that have a direct or indirect impact on members, including annual and strategic plans and the preparation of human resource policies.
- The labor union should properly raise awareness among its members about its major roles and practices; the benefits of being a union member; the rights and obligations of employees; and its ongoing efforts to secure the needs of its members through appropriate channels.
- The union should maximize its involvement in order to provide better welfare provisions other than minor financial support to members who are illegally terminated and medical support. To

enable the union to perform so, the union could see possible investment options to generate more income.

- Discusses with management, if possible, without the assistance of a third party, so that they can bring a paradigm shift in their relationship and work in partnership to create a positive, productive, cooperative, and trustworthy work environment.

5. Suggestions for further study

The researcher came across a different issue while I studied the role of labor union in employee relations in three districts in Addis Ababa, the case of BoA. The first is that the union only has a quarter of the bank's non-managerial employees as members at branches in Addis Ababa and at national level. When a union has a large number of members, the union will benefit in many respects.

The second point was the marketing plan and execution and evaluation aspects. What I understood from my research was that employees do not individually and collectively participate in the preparation of the plan. The plan is overstretched so that employees encounter problems achieving the target. Unlike the traditional practices of banks in BOA the bank employees should go to the customers, including bars, cafés, restaurants, and institutions like factories. This forced the employee into a stressful situation.

So, I am proposing for further study two issues: one the challenge to increase union membership and second, Assessment of performance management practice, the case of BoA

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APPENDIX 1. Questionnaire (English)

Addis Ababa University School of Commerce
Masters in Human Resource Management

Questionnaire to be filled by Employees & Member of BOA Labor union on Assessing
Employee Relation in BOA.

Dear Sir/Madam;

I am a graduating class student pursuing my MA in Human Resource Management at Addis Ababa University, School of Commerce. I am now doing my Master's thesis on the topic "Assessing Roles of Labor Unions in Employee Relations: in the Case of the Bank of Abyssinia".

This questionnaire is intended to collect information about the assessment of employee relations in the case of Bank of Abyssinia, three branches in Addis Ababa, in which I will try to analyze the role of the labor union in the process of determining member rights and interests as well as guaranteeing good employee relations in BOA.

As a result, I kindly ask that you spend some time filling out this questionnaire survey. I want to reassure you that your information will be used solely for this study and will be kept entirely confidential. Please make every attempt to offer accurate and trustworthy information; every response is crucial. I would like to thank you in advance for your Bank.

Instruction

- ☐ Do not write your name.
- ☐ Close-ended questions are answered by placing (✓) mark within the box.
- ☐ Open-ended questions are answered by writing on the space provided. You might write in Amharic

Thank you

Girma Bekele Birkie

Part I Demographic Profile of Respondents

1. Gender

Male ☐

Female ☐

2. In which age group are you in?

Below 18 ☐

21 to 30 ☐

31 to 40 ☐

41 to 50 ☐

51 to 60 ☐

3. What is your educational status?

Third degree (PhD) ☐

Certificate ☐

Second degree MA/MS ☐

12 grade complete ☐

First degree ☐

Below grade 12 ☐

TVET ☐

4. Year of service in BOA?

1 year or less ☐

2 years to 5 years ☐

6 years to 10 years ☐

Over 10 years ☐

5. How long have you been member of the labor union?

1 year or less ☐

2 years to 5 years ☐

6 years to 10 years ☐

Over 10 years ☐

Part II Employee opinion on Employee Relation and role of the labor Union

S/No	Variables	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
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A Collective Agreement Negotiation & Practice

A1	The labor union discuss with its members and collect information that should be included in the collective agreement					
A2	When the labor union call for collective agreement, the management is willing to bargain on time.					
A3	Bargaining between labor unions and management always results in better working conditions for its members, raising their living standards.					
A4	The bargaining system in the bank is based on objective assessment and proper information.					
A5	Labor union representatives are in a strong position to monitor the Bank's collective bargaining agreement's implementation.					
A6	The collective agreement restricts employees seeking justices.& pursuing rightness					
A7	The collective bargaining goes through dialogue, consensus ,good faith and in the absence of Mediator					

B Opinion towards Dispute and Grievance Handling

B1	The bank has proper grievance and dispute handling guideline and procedure to solve conflict					
B2	When an employee makes a mistake, the employer might impose a fine or terminate employee contact after consulting with the labor union.					
B3	Conflict resolution are taking place without mediation procedure are properly practiced in the bank					

B4	Involvements of third parties are Common.					
----	---	--	--	--	--	--

C Opinion on Employee participation

C1	labor union participate in promotion, discipline committee deliberation					
C2	Labor union take part in preparation & implementation strategic plan, organizational structure, benefit package & others					
C3	Employees are allowed to involve in decision in their specific area like quality circle & other forms					
C4	By allowing employees to engage in employment matters, collective bargaining serves to strengthen democracy in the bank.					

D Opinion on Communication & Employees Voice

D1	The union is crucial in assisting employees in understanding their rights and responsibilities.					
D2	The labor union communicate its employees periodically with meeting, publication and other methods					
D3	Employees voices are aired by the employees themselves & with the labor union and give promote replay by the management					

E Opinion regarding why do employee join union

E1	I join a labor union because I believe it will improve my financial situation by bargaining with my company.					
E2	The labor union will protect me from abuse and will also ensure my job security					
E3	I can also get support advice, legal support and financial benefit from the labor union investment					

F Opinion some other employees do no join union

F1	The union fail to approached and teach the					
----	--	--	--	--	--	--

	benefit of being a member					
F2	They are not convinced with the capacity of the union to promote their interest					
F3	If they join the union the management would intimidate them					
F4	The employer has clearly policy and procedure regarding our employment relationship thus the labor union will not add any value.					

G Employees opinion towards good employee relation

G1	The management consider employee relation as one of the strategic concern					
G2	The labor union aligns its objectives with the objectives of the management					
G3	The labor union deals with the management to solve problems related to working conditions.					
G4	The labor union has mutual understanding, trust and cooperation with the management.					
G5	The relation between the management and the union is not amicable. There is strong management and weak union					

Part III Respondents Addition Comments

1. What do you think is the major Employee Relations challenge in BOA?

2. What practical solutions have been devised to address the issues that have arisen in employee relations?

3. What do you suggest to improve healthy Employee Relation BOA?

For addition comment and suggestion, you can use phone or email: Tel. +251920253614Email: girmab.321@gmail.com.

APPENDIX 2. Questionnaire (Amharic)

በአዲስ አበባ ዩኒቨርሲቲ የንግድ ስራ ኮሌጅ

የሠው ኃይል ማኔጅመንት ማስተርስ

የአቢሲኒያ ባንክ የሠራተኞች ማህበር አባላት የአሠሪና ሠራተኛ ግንኙነትን በተመለከተ መረጃ ለመሰብሰብ የተዘጋጀ መጠይቅ

ይህንን መጠየቅ ያዘጋጀሁት በአዲስ አበባ ዩኒቨርሲቲ የንግድ ስራ ኮሌጅ የዚህ ዓመት ተመራቂ የሠው ኃይል ማኔጅመንት የማስተርስ ተማሪ ስሆን ለመመረቅ መስራት ያለብኝን የመመረቂያ ጽሁፍ “በአቢሲኒያ ባንክ የአሠሪና ሠራተኛ ግንኙነት ምን እንደሚመስል መገምገም በሚል ረዕስ ላይ ለመስራት ነው።

መጠይቁ ዋነኛ አላማ የሠራተኛ ማህበር የሠራተኞችን መብትና ጥቅም በአጠቃላይም መልካም የአሠሪና ሠራተኛ ግንኙነት በአቢሲኒያ ባንክ ውስጥ እንዲኖር የሚኖረውን ሚና ማጥናት ነው።

በመሆኑም እርስዎ የተወሰነ ጊዜ ወስደው ይህን መጠይቅ እንዲሟሉልኝ በትህትና እየጠየኩ፤ ከዚህ መጠየቅ የሚገኝ መረጃ ለዚህ ጥናት ብቻ የሚውል እና ከዚህ ውጭ መረጃው በሚስጥር የሚያዝ መሆኑን አረጋግጣለሁ። በእያንዳንዱ ጥያቄ የእርስዎ ትክክለኛ እና ተዓመኒነት ያለው መረጃ ላይ ከፍተኛ ዋጋ አለው። መጠይቁን በመሙላት ለሚያደርጉልኝ ትብብር ከወዲሁ አመሰግናለሁ።

ማሳሰቢያ

☐ ስምዎን መጻፍ አስፈላጊ አይደለም

☐ የምርጫ ጥያቄዎችን በትየዩ ባለው ሳጥን ውስጥ የ(✓) ምልክት ያድርጉ

☐ ለሚሠጡት አስተያየት ለዚሁ በተዘጋጀው መስመር ሀሳብዎን ያስፍሩ።

አመሰግናለሁ!!

ግርማ በቀለ ብርቁ

ክፍል 1 የመላሾች የግል ሁኔታ

1. ጾታ

ወንድሴት

☐
☐

2. እድሜ ?

ከ18በታችከ21 እስከ 30

☐

ከ31 እስከ 40

☐
☐

ከ 41 እስከ 50

☐

ከ 51 እስከ 60

☐

3. የትምህርት ደረጃ ?

ሦስተኛ ዲግሪ

ሰርትፍኬት

ሁለተኛ ዲግሪ ኤምኤ/ኤምኤስሲ

12 ክፍል ያጠናቀቀ

ዲግሪ ከ12 ክፍል በታች

ቴክኒክና ሙያ

4. በባንኩ ያገለገሉበት ጊዜ?

1 ዓመትና ከዚያ በታች

☐

ከ2 አመት እስከ 5 ዓመት

☐

ከ 6 አመት እስከ 10 ዓመትከ10

☐

አመት በላይ

☐

5. የሠራተኛ ማህበር አባል ከሆኑ ምን ያክል ጊዜ ሆነዎት ?

1 ዓመትና ከዚያ በታች

☐

ከ2 አመት እስከ 5 ዓመት

☐

ከ6 አመት እስከ 10 ዓመት

☐

ከ10 አመት በላይ

☐

ክፍል 2 በሠራተኛ ማህበር በአጠቃላይ የአሠሪና ሠራተኛ ግንኙነት ላይ ስላለው ሚና ሠራተኞች አስተያይ

ተ/ቁ	ቫሪብልስ	በጣም አልስማምም (1)	መካከለኛ (2)	ኛ (3)	እስማማለሁ (4)	በጣም እስማማለሁ (5)

A የህብረት ስምምነት ድርድርና አፈጻጸም

A1	በህብረት ስምምነት መካተት ስለሚገባቸው ጉደዶች ማህበሩ ከአባላት መረጃ ይሰበስባል፡፡					
A2	የሠራተኛ ማህበሩ ለህብረት ስምምነት ድርድር ጥያቄ ሲቀርብ ማኔጅመንቱ ባፋጣኝ ምላሽ ይሰጣል					
A3	በባንኩ የሚደረግ የህብረት ስምምነት ድርድር ሁል ጊዜ ለአባላት የተሻለ የስራ ሁኔታ እና የኑሮ ሄኔታ መሻሻል ያመጣል፡፡					
A4	በባንኩ ያለው የህብረት ስምምነት ድርድር የሚካሄደው በመረጃና በተጨማሪ ግምገማ መሠረት ነው					

A5	በባንኩ ያለው የህብረት ስምምነት ድርድር የሚካሄደው በመረጃና በተጨማሪ ግምገማ መሠረት ነው					
A6	የህብረት ስምምነቱ ሠራተኞች ፍትህ የማግኘት መብታቸውን በመገደብ መብታቸው እንዳይጠይቁ እንቅፋት ይሆናል					
A7	የህብረት ስምምነቱ ድርድር በምክክር በስምምነት በቅንነት እና ከሦስተኛ ወገን ጣለቃ ገብነት ሳይኖር ይካሄዳል					

B የቅሬታና ግጭት አፈታት ላይ የተሠጠ አስተያየት

B1	ባንኩ ተገቢነት ያለው የቅሬታ እና የግጭት አፈታት ስርዓት አለው					
B2	ሠራተኛ ጥፋት ሰያጠፋ ድርጅቱ ቅጣት ወይም ስንብት ከመወሰኑ በፊት ማህበሩን ያማክራል					
B3	ቅሬታዎች ተገቢነት ባለው የቅሬታ እና የግጭት አፈታት ስርዓት ተክትለው አይፈጸምም					
B4	የሦስተኛ ወገን ጣለቃ ገብነት የተለመደ ነው					

C የሠራተኛ ተሳትፎ ላይ የተሠጠ አስተያየት

C1	የሠራተኛ ማህበር የእድገትና ዲሲፒሊን ኮሚቴ አባል ነው					
C2	የሠራተኛ ማህበር በስትራቴጂክ እቅድ መዋቅር ጥቅማ ጥቅም እና ሌሎች ጥናቶች ላይ ይሳተፋል፡፡					
C3	ሠራተኞች በየስራ መስካቸው በደረጃው በውሳኔ ላይ ይሳተፋሉ					
C4	የህብረት ስምምነቱ ሠራተኞች በየስራ መስካቸው በደረጃው በውሳኔ ላይ በመሳተፍ የኢንደስትሪ ዲሚክራሲ ላይ መጠናከር አስተዋጽኦ ያደርጋል					

D የሠራተኛ ተሳትፎ ላይ የተሠጠ አስተያየት

D1	የሠራተኛ ማህበሩ አባላት መብታቸውንና ግዴታቸውን እንዲያውቁ ያግዛል፡፡					
D2	የሠራተኛ ማህበሩ ከአባላት ጋር በየጊዜው በስብሰባ በመጽሔትና በሌሎች ዘዴዎች ግንኙነት ያደርጋል፡፡					
D3	የአባላት ድምጽ በረዳቸው በአባላትና በማህበሩ ይስተጋባል አፋጣኝ ምላሽ ያገኛል፡፡					

E የሠራተኛ ማህበር አባል ስለሆኑበት የተሠጠ አስተያየት

E1	የሠራተኛ ማህበሩ ከአባላት የሆኑት ማህበሩ ተደራድሮ በፋይናንስ ተጠቃሚ ያደርገኛል በሚል እምነት ነው፡፡					
E2	የሠራተኛ ማህበሩ ከህግ ውጭ መብቱ እንዳይጣስ እና የስራ ዋስትና ይሠጠኛል፡፡					

E3	ከሠራተኛ ማህበሩ ኢንቨስትመንት የህግ፣ የገንዘብ ድጋፍ ማግኘት።					
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F ሌሎች ሠራተኛ ማህበር አባል ያልሆኑበትን በተመለከተ የተሠጠ አስተያየት

F1	ከሠራተኛ ማህበሩ ሠራተኛ ጋር በመቅረብ አባል በመሆን የሚገኝ ጥቅምን አለማስተማር					
F2	ሠራተኞች በማህበር አመራሮች አቅምና ችሎታ እምነት ስለሌላቸው።					
F3	ሠራተኞች ማህበሩን ቢቀላቀሉ ማኔጅመንቱ ተጽእኖ ስለሚያደረግባቸው					
F4	ድርጅቱ ትክክለኛ ፖሊሲና ፕሮሲደር ስለላው መደረጀት አያስፈልግም					

G ማህበር አጠቃላይ የአሰሪና ሰራተኛ ጉዳዩ ላይ ለው ሚና ላይ የተሠጠ አስተያየት

G1	የድርጅቱ ማኔጅመንት የአሠሪና ሠራተኛ ግንኙነት ስትራቴጂዊ ጉዳይ ነው ብሎ ያምናል					
G2	የሰራተኛ ማህበሩ አለማ ከድርጅቱ አላማ ጋር የተቀናጀ ነው					
G3	የሠራተኛ ማህበሩ ከድርጅቱ ማኔጅመንት ጋር በመነጋገር ከስራ ጋር የሚገናኙ የሠራተኛ ችግሮችን ይፈታል።					
G4	የሠራተኛ ማህበሩ ከድርጅቱ ማኔጅመንት ጋር የጋራ መግባባትና ትብብር አላቸው።					
G5	የሠራተኛ ማህበሩ ከድርጅቱ ማኔጅመንት ጋር ያለው ግንኙነት መጥፎ ነው። ጠንካራ ማኔጅመንትና ደካማ ማህበር አለ።					

ክፍል 3 የመላሸች ተጫማሪ አስተያይዞ

2. በባበንኩ የአሠሪና ሠራተኛ ግንኙነት ላይ አስቸጋሪ ሁኔታዎች የትኞች ናቸው ብለው ያስባሉ?

2. እነዚህን ችግሮች ለመቅረፍ ምን አይነት የተግባር ምልሽ ሊሠጣቸው ይገባል ብለው ያምናሉ?

3. በባበንኩ የአሠሪና ሠራተኛ ግንኙነትን በተመለከተ ተጫማሪ አስተያየት ካለዎት ?

ለተጨማሪ መረጃ እና አስተያየት ከዚህ በታች ያለውን የስክክ ቁጥር እና ኢሜል መጠቀም ይችላሉ፡ ስልክ +251920253614 ኢሜልEmail: girmab.321@gmail.com.

APPENDIX 3. Interview Questions

Interview Questions

Guiding Questions used to interview Labor Union Executives

1. Do you have the essential structure and organization to carry out your duties and responsibility?
2. What was the procedure for choosing union representatives? And what role did management have in the election process?
3. What is the role of the union in preparation of strategic plan, organizational Structure, benefit Package other decision making process?
4. What role does the labor union play in guaranteeing employee involvement and participation in the decision-making process?
5. How do you evaluate the union's bargaining power with management in order to improve terms and conditions of employment?
6. Does the union meet periodically with its members? If not why?
7. Does the union have periodic meeting program with the management? If not why?
8. How would you describe the union's relationship with management and employees, as well as the management's support for the union?
9. Do you think the management has positive towards labor union or organized movement of employees? If not, why?
10. What kind of service and benefits does the union provide to the union members? What concrete change brought the incumbent executive?
11. In what way employees are consulted and involved in union activities?
12. What is the role of the union in grievance and work related conflict resolution?
13. Does the union try to increase its members throughout the country? If not, why?
14. What are the major weaknesses and strengths of the union at this time?
15. What do you comment to enhance the employment relations climate of the bank in the future? What are the area that need to be addressed?

Guiding questions used to interview Management Members

1. Does the company have an HRM policy that outlines the employer-employee relations as a strategic agenda?
2. What kind of support does management give to the union when it asks for it or when it initiates it?
3. How is the collective agreement is negotiated? What is the degree of both parties to negotiate in good faith negotiation/ What is role of third party in the negotiation?
4. To what extent, both the union and management are acting in accordance with the collective agreement? Is there any irregularity? E.g. Level of labor Dispute
5. Does the management allow employees and the union to participate in decision making process? E.g. in study and preparation of strategic and annual plan, organizational structure & benefit package other similar issues
6. Does the organization have grievance handling and conflict resolution mechanisms? If yes, what is the role of the union?
7. How do you resolve any disagreements between the management and the union? What is the role of third party in this regard?
8. How are employees are communicated and how their voices are heard?
9. Do you think the existence of the labor union helps for the maintenance of health employment relations?
10. How do you explain the overall employee relations climate in the bank?
11. What do you suggest to further enhance the employee relation in the bank?

APPENDIX 4. Interview with labor Union & Management Representative

Interview With Labor Union Representative

Question No1.

"Do you have the essential structure and organization to carry out your duties and responsibilities?"

Answer

At the head office of the union, we have a secretary, an accountant, and a legal advisor working at retention bases. We did have some structure at the district and branch levels. We recently assigned district and branch representatives. This enables us to cope with the decentralization policy of the bank. "

Question No.2

"What was the procedure for choosing union representatives? And what role did management have in the election process? "

Answer

"It is conducted by the general assembly and the rules of the labor union." The management does not interfere in the election.

Question No.3

"What role does the union play in the development of the annual plan, strategic plan, organizational structure, benefit package, and other decision-making processes?"

Answer

"We attend the annual management meeting and give comments. On the other hand, the union does not participate in annual and strategic planning, organizational structure, and benefit scheme studies.

Question No.4

"What role does the labor union play in guaranteeing employee involvement and participation in the decision-making process?"

Answer

"The union is a member of the transfer promotion and discipline committee."

Question No.5

"How do you evaluate the union's bargaining power with management in order to improve terms and conditions of employment?"

Answer

"We do our best to negotiate properly." However, there were issues in the union when we negotiated the third collective agreement. The total number of members drops to 700. In the negotiation, a number of issues were left out or not included. "Like payment for employees working on Saturday in the afternoon."

Question No.6

Does the union meet periodically with its members? If not, why? "

Answer

"We tried to meet with representatives at district and branch level. But we conduct general assembly meetings once every three years when the tenure of the leader ends.

Question No.7

Does the union have a periodic meeting program with the management? "If not, then why not?"

Answer

"We do with human resource management, but it is too difficult to access the CEO and top management of the bank as per the collective agreement.

Question No.8

"How would you describe the union's relationship with management and employees, as well as the management's support for the union?"

Answer

"It is relatively fine, but the inability to meet with the CEO as per the collective agreement is not good."

Question No.9

"Do you believe management has a favorable attitude toward labor unions or employee organized movements?" If not, why? "

Answer

"It's relatively good."

Question No.10

"What concrete change did the incumbent executive bring?"

Answer

"We provide financial assistance to unlawfully terminated members and for medical expenses after the bank stops covering medical expenses as per the collective agreement." We also provide legal support. '

Question No.11:

"In what way are members consulted and involved in union activities?"

Answer

"We are trying to ensure members' through the district branch representatives."

Question No.12:

"What is the role of the union in grievance and work-related conflict resolution?"

Answer

"The union is a member of the discipline committee and deals with terminated employees." In those cases, we change the termination decision. But a number of discipline cases are taking place at varying levels. In these cases, there is a "gap."

Question No. 13:

Does the union try to increase its membership throughout the country? If not, why? "

Answer

"We try. But the effort of the union in this regard is weak. "

Question No. 14:

"What are the major weaknesses and strengths of the union at this time?"

Answer

"Lack of commitment, lack of capacity, and few individuals are operating full time." Especially with the devolution of major activities to district and branch, the union at these levels is weak.

Question No. 15:

"What do you comment to enhance the employment relations climate of the bank in the future?"

What is the area that needs to be addressed? "

Answer

"The need for creating a platform to meet with top-level management is very important."

Interview With labor Management representative

Question No.10:

"Do you think the existence of the labor union helps the maintenance of healthy employment relations? "

Question No. 1:

"Does the company have an HRM policy that outlines the employer-employee relations agenda as a strategic concern?"

Answer

"Yes," It has developed a number of policies like the Human Recourse Administration policy, organizational structure, benefit scheme and even the collective agreement that show that the bank considers employee relations issues as a strategic issue.

Question No.2:

"What kind of support does management give to the union when it asks for it or when it initiates it?"

Answer

"We are providing different support, like office, furniture, union leave, etc.

Answer

Question No.3:

"How is the collective agreement negotiated?" What is the willingness of both parties to negotiate in good faith? What is the role of the third party in the negotiation?

Answer

To our understanding, we were negotiating based on good faith and the role of a third party was minimal.

Question No.4:

To what extent are both the union and management acting in accordance with the collective agreement? Is there any irregularity? level of labor grievances and disputes

Answer

"We are trying to perform as per the collective agreement of the bank."

Answer

"Why were you not paying overtime on Sunday?"

"I don't want to comment on it. The union raises issues that are related to this question."

Question No.5:

"Does the management allow employees and the union to participate in the decision making process?"

Yes, the union leader is participating in promotion and discipline. They also attend annual company meetings.

Question

Do they participate in the preparation of strategic and annual plans, organizational structure, benefit packages, and other similar issues? "

Answer

"I don't think that it is possible to allow unions in budget planning."

Question No.7:

"Does the organization have grievance handling and conflict resolution mechanisms? If so, what is the role of the union? "

Answer

"Yes, it does. The union will participate when the discipline measure case termination. "

Question No.8:

"How do you resolve any disagreements between management and the union?" What is the role of a third party in this regard? "

Answer

"When the two parties cannot reach an agreement, we as a final resort we used to go to third party"

Question No.10:

"Do you think the existence of the labor union helps the maintenance of healthy employment relations? "

Answer

Yes, especially in collective agreement negotiation and participation of employees it play important role”

Question No.11:

“How do you explain the overall employee relations climate in the bank?”

Answer

It is good., in so far as we are working based on the collective agreement of the bank.

Question No.12:

“What do you suggest to further enhance the employee relation in the bank? “

Answer

Both parties should believe in discussion, dialog & cooperation with the objective enabling the bank successful in the existing stiff competition in the banking sector

Table: BOA total number of employees working in Addis Ababa with respect to their district, sex & position (managerial and non-managerial).

S/N	District	Male	Female	Clerical		Non-Clerical		Total	Managerial	Non-Managerial	Remark
				Male	Female	Male	Female				
1	East	632	457	610	349	22	108	1089	266	823	
2	West	994	594	952	444	42	150	1588	372	1216	
3	Central	750	506	721	374	29	132	1256	318	938	

Source BOA HRD (taken on December 31 ,2021)

Table: Total number of union members working in Addis Ababa Three districts

S/N	District	NO.	Remark
1	East	261	
2	West	229	
3	Central	222	
	Total	712	

Source: BOA Labor union Office (Taken on December 31 ,2021)