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The Role of Labor Unions in Promoting Sound Industrial Relations: A Case Study of St. George Brewery

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Addis Ababa University
Faculty of Business and Economics

Master of Business Administration (MBA) Program

- Unions can serve as consultants on matters of human resource management
- Competitive Advantage
  = f (sound Industrial Relations Systems)
- Flexibility for its genuine purpose is not opposed by unions

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Prepared By : Menu Nesro

Supervised By: Dr. G.K. Murthy

Addis Ababa
July 2006

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STATEMENT

Herewith I state that the project is my original work and has not been presented for a degree in any other university and all sources of material used for the project have been duly acknowledged.

Name of Candidate

Signature

Place and date

Herewith I state that the project, an original work that I have supervised, has not been presented for a degree in any other university and all sources of material used for the project have been duly acknowledged.

Name of Project Supervisor

Signature

Place and date

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My particular thanks also go to Ato Mesfin Legesse, Wro. Bossena Wudu, Ato Ayalew Wolde, and Ato Geremew Mechale for assisting me in obtaining and gathering the required data and information to this project. I am grateful of their help that persisted all the way through. Without their assistance this project could not be materialized.

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Abstract

Sound industrial relations systems support the effort of building competitive advantage. St. George Brewery managed to establish and maintain relatively better industrial relations systems. The management, union, and a significant proportion of employees have positive attitude to each other. The management encourages unionization. It supports the union in many ways. The management considers the union as consultant on matters of human resource management. There is a spirit of working in a manner of consultation, cooperation, and collaboration.

The union-management relations is based on pluralistic approach. The union is accepted by all as legitimate representative of employees.

In the past five years, the company has no record of labor disputes that went to external parties such as Conciliators, Labor Relations Board, or Labor Courts for resolution. They believe in resolving industrial disputes and conflicts internally. The majority of workers have trust and confidence in the union. There is 100% union density.

The efforts exerted by the union enabled workers to secure annual salary increment, bonus, "Zenbil" system (every four months adjustment of salary), 24-hours life insurance, solidarity fund to cover medical expense including medication abroad as deemed necessary, etc... The union established and is operating a share company. It is generating its own income through different business lines. It is providing employees financial support every holiday, when an employee is pensioned and suspended from work due to some reasons. The union and workers widely share the idea that attaining more and more benefits is a function of increased productivity, profitability and the growth of the company. The management and majority of employees believe that the union has contributed to establishing and maintaining peaceful industrial relations. On average, combining results of the various measurement variables, 71.9% of the respondents reported that the union is strong and the existence of it benefits employees in improving the economic and social life of employees.

The interaction of union and management in a matured and rational manner contributed in this regard. Educational mix of the union officials is relatively better than what we commonly experience. An executive member is one of the union officials. The industrial relations situation of the company can be modeled as the amalgamation of rights and obligations based relations, mutual understanding that more benefits are dependent on increased productivity, profitability, and growth of the

company, and increased common interest between workers and executives.

Union officials and some segment of workers reported that there are bits of problems on areas of recruitment, promotion, and performance evaluation. Some said the level of communication is not enough. Some even reported dissatisfaction with the performance of the union. In order to keep the system working and fill these gaps the company may systematically introduce policies and practice of ongoing career planning and development, open and transparent communication, regular and systematic performance planning and development systems and more workers' participation and involvement through Quality of Work Life (QWL) programs.

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Chapter 1: Introduction

1.1 Background

Sound human resource management policies and practices are fundamental to the success of an organization in its area of endeavor. It is concerned with the people dimension of an organization. As a transforming input, the human element is a vital factor of production. It is the people who staff and manage organizations (Aswathappa, 1997)[1]

The human capital is a source of competitive advantage. An Organization's core competencies are built in the knowledge and skills of employees. Collective knowledge is the most useful because this is the type of knowledge that other firms would find difficult to understand and imitate.

In the era where organizations are subject to swift changes of technology and sharp global competition, the human side of the organizational resources has become instrumental in the process of creating a distinction. Collective learning of an organization that involves the integration of diverse production skills and multiple streams of technology for giving the world distinctive and better value-added products and services, which enhances customer satisfaction and competitive edge of the organization, is embedded in the minds of employees.

Unlike the scientific management orientation, management needs to recognize the critical role of human resource in attaining the productivity and profitability objectives. Considering techniques of production, highly refined tools and materials, rigid rules of performance, as the sole determinants of productivity will not bring organizations to success in this turbulent business environment. Organizations need to invest in their human capital.

Modern day business demands human resource management systems that is designed to attract, motivate and retain people, ensures equitable and fair treatment, institutes reward systems that go along with efforts and achievements, and encourages participation of employees in the decision-making.

Management has to work on relationship building with employees. Maintaining good employee relations is possible through creating good working atmosphere, providing attractive rewards, having good leadership, and assigning employees to interesting and challenging jobs. Employees relations is the interactions between the employer (represented by management) and the workforce (represented by trade unions) (Beech & McKenna, 1995)[2]. While the management supports the issues of the employees, the employees, in turn,

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[1] Aswathappa, K.1997, Human Resource and Personnel Management, 3rd ed., Tata McGraw-Hill Publishing Company, New Delhi

[2] Beech, Nice & Mckanna, Engine, 1995, The Essence of Human Resource Management, Prentice Hall, London

show commitment towards the success of the organization. Employee relations activities are those whose objectives are to create an atmosphere of trust, respect, and cooperation (Milkovich and Boudreau, 1991)[3]

Sound employee relations practices are source of peaceful industrial relations that enables both parties to industrial relations attain their objectives. It also has contributions towards the nation's development. It, however, assumes employees and employers to work in spirit of cooperation and acknowledging and promoting their rights and obligations.

As Alemayehu Mulugeta (2004)[4] noted, in general, companies should maintain good industrial relations because stable and good industrial relations are vital pre-requisite for organizational success. Stable relations mean a situation when the problems of management and employees are discussed between them in spirit of mutual trust and confidence without unnecessary delay and friction. According to Aswathappa (2002), productivity itself can be improved through industrial relations.

The purpose of this study is, therefore, to assess industrial relations situations of a case organization namely St. George Brewery, a Branch of BGI Ethiopia Plc. The study focuses on examining the practical contributions of the union in the organization towards attaining peaceful labor relations. It tries to measure the feelings of employees and management towards the role played by the union. Furthermore, it will investigate internal factors shaping the current and future state of industrial relations in the organization. Instruments such as semi-structured survey questionnaires, in-depth interview and review of documents (Memorandum of Association of St. George Brewery Trade Union, Collective Agreement between the two parties, Labor Proclamation # 377/2003, and other literature materials) are conducted to gather data and information that build up the study.

1.2 Statement of the Problem

Peaceful industrial relations is the source of productivity and improved performance as evidenced. It is a function of economic conditions, competitive dynamics, political situations, the regulatory system, employer-employee relations and many other environmental factors.

Employers and employees each tries to maximize the benefits obtained from the work. They have conflicting interests. As a result, conflict is a common practice. Some conflicts may be contained and resolved amicably within in the internal boundary of the organization whereas others bypass the organizational boundary of the organization. There are times where the internal boundary is

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[3] Milkovich, George T & Boudreau, John W., 1991, Human Resource Management, Richard D. Irwin, USA

[4] Alemayehu Mulugeta, Assessment of the Conditions of Employee-Management Relationships, MBA project paper 2004, Addis Ababa university

bypassed and cause great instability and decline in productivity and profitability. Antagonistic attitudes between unions and management and other labor problems contribute to the occurrence of such situations in the workplace.

It is not difficult to find cases and experiences where management discourage the efforts of unionization by acts such as dismissing unionization campaign organizers and supports, assigning them to different jobs where they cannot pursue with their effort, not allowing time for union activities. There are wide range of cases presented to federations and confederation of labor unions and Labor Relations Board relating to problems in forming unions, collective bargaining and interpretation and administration of collective agreement. These are empirical evidences that some industries and enterprises may lack a smooth work atmosphere. Tsege Gebissa (2005)[5] stated that only 44% and 28% of the respondents selected in two case organizations reported positive attitude towards management. The same study evidenced that the participation of employees in decision-making and the support they get from mangers is less.

Besides, according to the study of Tsege and Alemayehu Mulugeta, most of the respondents reported that trade unions of their respective organizations are not strong enough to ensure their rights and interests. This view is also confirmed by Ministry of Labor and Social Affairs (MOLSA) and Confederation of Ethiopian Trade Unions (CETU) officials at the time. Trade unions lack the power to influence the management in the collective bargaining process. As Alemayehu (2004) noted 32.6 % of the respondents reported that the existing management-employee relationship do not help their organization achieve its objective. Alemayehu (2004) said, "In a net shell, trade unions are not strong enough to protect the right of their members due to different employers' intervention, poor leadership quality of union officials, and employers' attitude to be union free"

As Tsege (2005) noted in the organizations included in case study, union management cooperation is not satisfactory. The reasons are that unions give priority for their personal interests rather than protecting employees' rights. The unions in the companies have limited area to exercise their power to accomplish their responsibilities.

This study, though it acknowledges the influence of wide range of internal and external factors, it rather focuses on how the role of unions influences the maintenance of sound industrial relations. As one of the principal parties to industrial relations, union officials' attitude and behavior are expected to influence the state of nature of industrial relations existing in a unionized organization. What does the union do? How the union is perceived by the members? Does the perception of management, union and employee on the existing industrial relations situation mach or not? How this match or mismatch affects the state of nature of industrial relations situation of St.

[5] Tsege Gebissa, 2005, Assessment of Industrial Relations Climate, MBA Project paper, Addis Ababa University

George Brewery, the case organization? Findings of previous research works and personal observations informed the choice of this topic for research. In specific terms, the study tries to answer the following research questions.

- How the knowledge, attitudes and the practices of labor unions influence the nature of industrial relations in the case organizations?

- How union members evaluate the contributions of unions in the process of ascertaining their rights and interests and insuring peaceful industrial relations?

1.3 Scope of the Study

In any industrial establishments whatever the organizational and employee size, there is employment relationship. Either guided by some agreement or not, the relations contributes to Industrial relations. Industrial relations affects and being affected by various aspects of the work environment. As a result, industrial relations can be viewed and studied from diverse dimensions.

Due to time, financing, constraints on data availability, the study is delimited into one area that is the role of trade unions in promoting peaceful industrial relations. Of course, the perceptions of the management, employees and some other key informants are going to be incorporated in the study. For the same constraints and because of problem-solving nature of this study the organization selected as a sample is also limited. The other dimensions of industrial relations are beyond the scope of this paper.

1.4 Objective of the Study

This study has an overall objective of assessing the whether the practiced roles of trade unions align with what is perceived by the constituents of industrial relations. It tries to check that the roles of trade unions are contributing towards formation of good industrial relations atmosphere in the case organization. In this regard, the perspectives of management, trade union, employees will be encapsulated in the study. It also has the following specific objectives.

1. To assesses whether employees and their union officials are familiar with and well aware of the benefits they can attain of smooth and good industrial relations.

2. To identify strong achievements/accomplishments of the union under the case study in the process of ascertaining peaceful industrial relations and then share these perspectives to others.

3. To help future researchers in the area by filling some research based information gap.

1.5 Significance of the study

Employees' understanding of and commitment towards peaceful industrial relations is vital for success in the bottom line. That of the management's is also crucial. This study, however, will dwell on the role of the trade unions in promoting peaceful industrial relations. From this perspective, the analysis of the employees' knowledge, attitude, and practices will help to identify the problems, gaps and then ultimately solutions to fill the gaps. In specific terms, the research will have the following importance:

The recommendations, which will be based on the findings of the study, can help the management, the union, and employees of the case organization to amplify their efforts in a direction of peaceful industrial relations. The study may serve as sample for others to learn from. It will also be a basis for much broader study incorporating greater number of organizations from different sectors and wider sample size in the future.

1.6 Research Design

This study, a case analysis by its nature, envisages at measuring and answering the research questions. Instruments such as semi-structured survey questionnaire and in-depth interview are applied as methods of data collection.

Management members are made to fill semi-structured management questionnaire. Out of 15 management members, 5 executive members randomly selected to represent different functional units made to fill the questionnaire. Interview was conducted with the Manager, Administration as 'key informants'.

Systematic random sampling is used to identify out employees (member of the union) who fall in the sample. Out of the total population of 286 who are member of the union working at St George Brewery and residing in Addis Ababa, 57(20% of the population) were included in the sample. Semi-structured survey questionnaire especially designed for employees (translated into Amharic) were distributed to the sample population. The response rate was 84%.

As 'key informants', labor union officials were interviewed (assisted with audio recording) answering questions about their roles and the state of industrial relations at their workplace. Ten officials (out of twelve) were present during the interview session.

All survey questionnaires were designed with appropriate and self-explanatory preambles with the idea that respondents fill them without any trouble and assistance.

Univariate method of data analysis is used. By way of deploying this method data were analyzed by scoring the frequency of the responses for each representative sample and taking their percentage for comparison purpose. The use of multivariate analysis is not applied extensively. The sample size is not convenient for such analysis.

1.7 Ethical Considerations

An official letters written from the Addis Ababa University was submitted to St. George Brewery and the Labor Union of the company. Before a questionnaire is given to an individual, the researcher requested the individual's willingness to fill the questionnaire by providing brief explanation about the purpose of the survey. Audio recording is used only with agreement of the interviewee. Furthermore, if an individual was not willing to respond any part of the questions, he/she was informed to do so. Survey questionnaires give respondents information that they need not write their name. They are assured that their opinions and information provided in different forms will be used only for research purpose and confidentiality will be maintained..

1.8 Organization of the paper

This paper has five chapters. The first chapter is introductory where background, problem statement, objective, research design, and other related matters of the study are expounded. The following two chapters deal with review of literature. Chapter two focus on the concept, environment, areas, and parties to industrial relations. Manifestations of sound industrial relations, which is one of the key variables of this study, is covered under this chapter. Chapter three summarizes related literature on the role of labor unions.

Chapter four discusses the results of the survey. The industrial relations situation of St. George Brewery and the experiences and practices of the company's labor union are analyzed based on opinions reported by the management, the union, and sample population.

Chapter five presents conclusions and recommendations based on the findings of the study.

Chapter 2: Review of Literature I: Industrial Relations

2.1 The Concept of Industrial Relations

Industrial relations is an interdisciplinary field of study that concentrates on individual workers, groups of workers and their unions and associations, employers and their organizations, and the environment in which these parties interact. As it was cited by Marshall& Briggs (1989:438)[6] Dunlop, who developed the general conceptual framework of industrial relations systems, defines industrial relations as the complexes of interrelationships among managers, workers, and governmental agencies. He continues explaining that an industrial relations system comprises certain context, and ideology which binds the industrial relations systems together, and a body of rules created to govern the actors at the workplace and work community. Ideology here refers to "a set of ideas and beliefs commonly held by the actors that helps to bind or integrate the system together as an entity." For industrial relations systems to be stable, the actors must hold views that are compatible and based on the trust and confidence on each other.

Aswathappa (2002:468)[7] defines industrial relations as "concerned with the systems, rules and procedures used by unions and employers to determine the reward for effort and other conditions of employment, to protect the interests of the employed and their employers, and to regulate the ways in which employers treat their employees."

Industrial relations refer to processes and outcomes involving employment relationships (Fiorito, 2006)[8].

According to *Ivancevich & Glueck (1979:691)*[9], a labor relation is "a continuous relationship between a defined group of employees (represented by a union or association) and an employer. The relationship includes the negotiation of a written contract concerning pay, hours, and other conditions of employment and the interpretation and administration of this contract over its period of coverage."

According to *Fossum (1999:2)*[10], the term "labor relations" connotes conflict resolution processes. Because of the differences in their goals, conflict between

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[6] Marshall, F.R. and V.M. Briggs, Labor Economics, 6th ed, Richard D. Irwin, Inc., USA
[7] Aswathappa, K., 1997, Human Resource and Personnel Management, 3rd ed., Tata McGraw-Hill Publishing Company, New Delhi
[8] Fiorito, J., 2006, Industrial Relations: Background, Current status of the field, Thomson Gale, (http://www.referenceforbusiness.com)
[9] Ivancevich, J.M. and W.G. Glueck, 1989, Human resource management, G.L. Nelson. U.S.A.
[10] Fossum, J.A. 1999. Labor relations. C.S. Beytien. USA

unions and employers is real and, to some extent, always underlies the relationship between the parties.

A critical assumption underlying analysis of industrial relations is that there are inherent conflicts of interest between employees and employers. That conflict arises out of the clash of economic interests between workers seeking high pay and job security and employers pursuing profits *(Katy & Kochan, 1992:4)*[11]. The labor relations process tries to accommodate each of the parties separate goals while enhancing the likely hood of realizing common goals. Collective bargaining is used as instrument to accommodate the multiple interests of workers and employers.

Katy & Kochan (1992:5)[12] argues, union could not survive or effectively represent their members, for example, if employers were completely free to suppress or avoid unionization. Likewise, employers could not compete effectively in global or domestic markets if collective bargaining constantly produced wages or other conditions of employment that increased costs above what the market would bear.

The labor relations process occurs when management and the exclusive bargaining agent for the employees (the union) jointly determines and administer work rules *(Holley & Jennings, 1997:5)*[13]. According to these authors, the labor relations process involves three phases;

1. Recognition of the legitimate rights and responsibilities of union and management representatives

2. Negotiation of the labor agreement, including appropriate strategies and tactics and impasse resolution techniques

3. Administration of the negotiated labor agreement applying and enforcing the terms of the agreement on a daily basis

Dunlop (1958), as it was cited by Holley & Kennings (1997:11)[14], suggested that the center of attention in labor relations should be the work rules negotiated between management and union officials. Work rules can be placed in two general categories:

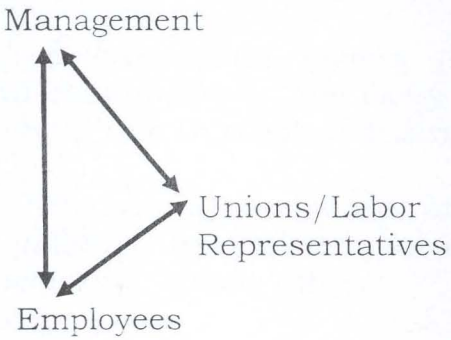
1. Rules governing compensation in all its forms – overtime payments, vacations, holidays, sift premiums, and so on, and

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[11] Katz, H.C. and T.A. Kochan. 1992, An introduction to Collective Bargaining and Industrial Relations, McGraw-Hill, Inc., U.S.A.
[12] Ibid
[13] Holley, W.H. and K.M. Jennings, 1997, The Labor relations process, Dryden Press, U.S.A.
[14] Ibid

2. Rules specifying the employees' and employers' job rights and obligations, such as no employee strike or employer lack out during the term of the labor agreement, performance standards, promotion qualification and procedures, job specifications, and layoff procedures.

According to *Fossum (1999:2)*[15] labor relations is the set of processes union and employer develop and use to achieve their goals while accommodating the needs of the other side. Here, one can infer the relationship between union and employer (or management). The relationships between employees and each of these other parties fall under the purview of industrial relations. Flanders definition of industrial relations, as it was noted by Edwards (1995)[16], besides being employed to analyze interaction between managers and unions it is also a useful tool for explaining relations between managers and individual employees. The employment relationship, in its essence, is triangular.



The emergence of individualization in the employment contract, direct employee involvement, variable pay, contingent contracts, and so on has led to a renewed emphasis on the direct link between management and employees, whether or not this relationship is mediated by the presence of trade unions (or other representatives) as employees' bargaining agents (Mark Cully, 1998)[17].

While labor problems are the results of imperfections in the employment relationships, industrial relations should be seen as the theories and methods that have been developed over time to address and collect these problems, in both the external and internal labor markets (Silva, 1998)[18].

Industrial relations is a means whereby organizational goals and objectives matched against the interests and rights of their employees. Because employees bring their own aspirations to the workplace, industrial relations,

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[15] Fossum, J.A. 1999. Labor relations. C.S. Beytien. USA

[16] Edwards, P.K.,1995, Industrial Relations: Theory and Practice in Britain, Blackwell

[17] Mark Cully, 1998, A survey in Transition: The Design of Workplace Employee Relations Survey,

[18] Sriyan de Silva, 1997, The Changing nature of Industrial Relations and Human Resource Management, ILO, ACT/EMP publications, Turin, Italy, (http://www.ilo.org/public/english)

and the work itself, affect workers and their interests, as well as the interests of the firm and the larger society (*Katz & Kochan; 1992:4*)[19].

According to Fiorito (2006)[20], the term "industrial relations" referred to "relations" between employers and employees in "industry". It refers to the process, outcome and mechanisms of relations between employees and employer.

According to Kochan, as it was cited by Silva (1997)[21], like any complex social system, industrial relations systems are best understood by identifying their various components and analyzing how they interact with one another to produce certain outcomes. The major components of the industrial relations system are:

1. The actors (workers and their organizations, management and government)

2. Contextual or environmental factors (labor and product markets, technology, and community or "the locus o and distribution of power in the larger society" [From Dunlop's Industrial relations Systems])

3. Processes for determining the terms and conditions of employment (collective bargaining, legislation, judicial processes, and unilateral management decisions, among others).

4. Ideology or a minimal set of shared beliefs, such as the actors' mutual acceptance of the legitimacy of other actors and their roles, which enhance system stability.

5. Outcomes, including wages and benefits, rules about work relations (e.g. standards for disciplinary action against workers), job satisfaction, employment security, productive efficiency, industrial peace and conflict, and industrial democracy.

Different terms are used on interchangeably to refer to industrial relations; labor relations, employment relations, employee relations, union-management relations, or human relations. The term employee relations are mostly used in non-union situations. For this study purpose, industrial relations and labor relations are used interchangeably.

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19 Ibid
20 Jack Fiorito, 2006, Industrial Relations: Background, Current status of the field, Thomson Gale, (http://www.referenceforbusiness.com)
21 Sriyan de Silva, 1997, The Changing nature of Industrial Relations and Human Resource Management, ILO, ACT/EMP publications, Turin, Italy, (http://www.ilo.org/public/english)

2.2 *The environment of Industrial Relations*

According to Dunlop, as it was cited by Katz & Kochan (1992:87)[22], the industrial relations system environment is classified into three main influences: the economic context, technological context, and locus of power in the larger society. Katz & Kochan (1992:88)[23] further added two other factors influencing the environment: social context and the demographic context.

These environmental factors influence the bargaining power of unions and management. Additionally, these environmental variables have bearings on the process of bargaining and outcomes thereto. However, it is a two way process. State of nature of economic, political, legal, social, technological and demographic conditions frame the nature of employment relationships in an organization. There are evidences where employment relationships, in turn, molding the environmental determinants

2.2.1 *Economic context*

Labor market conditions influence management and the unions in their relationships. If the labor market is tight, the demand for goods is soft, and the labor market has a surplus, management has an advantage. It can sustain a strike, and perhaps even benefit economically from one (Ivancevich *& Glueck; 1989:692*)[24].

At macro economy level, rate of unemployment, degree of national productivity, and income policies of governments affect labor relations. Together macroeconomic and microeconomic forces act as one major set of determinants of the process and outcomes of collective bargaining (Katz & Kochan 1992:99)[25].

The market or budgetary constraints of an industrial relations system cause the rules governing wages, hours, and working conditions to be conditioned by external financial limitations. In an industrial market economy, these constraints are imposed by the nature of the market. If employers operate in a highly competitive market, for example, they will have less freedom in establishing wages and other employee benefits that influence their cost-price relationship than if they operate in a less competitive market. The market constraints on wage determination obviously influence the survival and growth of unions. Individual employers in a highly competitive industry will resist unions if they fear that collective bargaining will jeopardize their competitive positions by raising wages above those of their unorganized competitors. Unions facing this situation might be unable to produce sufficient tangible

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[22] Katz, H.C. and T.A. Kochan. 1992, An introduction to collective bargaining and industrial relations. A. Sachs, D. Alpert, and S.H. Gillams. U.S.A.
[23] Ibid
[24] Ivancevich, J.M. and W.G. Glueck, 1989, Human resource management. G.L. Nelson. U.S.A.
[25] Katz, H.C. and T.A. Kochan. 1992. An introduction to collective bargaining and industrial relations. A. Sachs, D. Alpert, and S.H. Gillams. U.S.A.

wage advantages to retain the workers' allegiance (Marshall & Briggs, 1989:439)[26]

2.2.2 *Legal and Public Policy Context*

Law and public policy gives employees for the right to unionize and framework of collective bargaining. Besides, lay down the basic rights and duties of each party to industrial relations. Katz & Kochan (1992:115)[27] said, "Public policy shapes the rights of the parties and the procedures used in collective bargaining."

Labor legislations, furthermore, give the framework for resolving industrial disputes. Government creates the legal environment within which labor relations take place. Government boards rules on legal differences in the system, and government mediators and conciliators often help settle disputes (Ivancevich *& Glueck; 1989:692*)[28].

2.2.3 *Demographic context*

According to Katz & Kochan (1992:109)[29], "Current union members are on average older and less well educated than the new entrants to the labor force. Unions may have difficulty adjusting to the demands of a younger, more vocal constituency. In any event, it is clear that any analysis of collective bargaining must account for the demography of the labor force."

2.2.4 *Social context*

The public view of union is what makes social context. The public's image of unions' movement and the degree of support to the movements influence the nature of industrial relations.

2.2.5 *Technological context*

Technological improvements are meant to enhance productivity, quality, and improved performance. It brings changes in ways of doing things in production, marketing, finance, and human resource management. These changes directly or indirectly affect labor-management relations. Technological changes may result in layout of employees, for instance. Traditionally, unions are accustomed to resist those technological changes that result in employee lay-off. According to Ivancevich and Glueck[30], "However, as it become apparent that improvements in productivity were the only way to increase compensation, many unions changed their attitude about technology-some unions now support technological improvements and work with management

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[26] Marshall, F.R. and V.M. Briggs, Labor Economics, 6th ed. R.D. Irwin, inc. U.S.A.
[27] Katz, H.C. and T.A. Kochan. 1992. An introduction to collective bargaining and industrial relations. A. Sachs, D. Alpert, and S.H. Gillams. U.S.A.
[28] Ivancevich, J.M. and W.G. Glueck, 1989, Fundamentals of Personnel: Human resource management, Richard D. Irwin, U.S.A.
[29] Katz, H.C. and T.A. Kochan. 1992. An introduction to collective bargaining and industrial relations. A. Sachs, D. Alpert, and S.H. Gillams. U.S.A.
[30] Ivancevich, J.M. and W.G. Glueck, 1989, Fundamentals of Personnel: Human resource management, Richard D. Irwin, U.S.A.

representatives to minimize the displacement of workers they bargain for compensation for displaced workers, retaining, and relocation assistance for layoffs employees."

2.3 *Emerging nature of Industrial relations systems*

This section of the paper is mainly based on two articles of Silva (1997, 1998). Historically, employers have dominant positions in the workplace. Employees have no bargaining strength and as a result, employment relationships entertained injustice and inequalities. The relationship was more of a kind "master and servant". As noted by Silva (1997)[31], industrial relations therefore came to espouse a degree of labor market legislation to correct the unequal bargaining power. According to the same author, the causes of labor problems-even those within the enterprise-were thought to need addressing through a range of initiatives external to the enterprise, by

- The sate through protective labor laws and dispute settlement mechanisms
- Voluntary action on the part of employees to protect themselves and increase their bargaining strength through freedom of association and collective bargaining, but backed by State interventions to guarantee the rights.

As summarized by the same authors, the characteristics of these traditional (collective) industrial relations are the following:

- An emphasis on solving industrial relations problems though means external to the enterprise
- Standardization of employment terms which was appropriate to the largely repetitive tasks, narrow job classification that prevailed, and to less educated workforces as well as hierarchical management structures. The notion of standardization-acceptable to employers as well-meant that the employment relationship could be standardized either through external means (laws and national/industry agreements), or through agreements at the enterprise level prescribing standard terms and conditions of employment
- Coverage of employees by standard contracts providing for fixed hours, remuneration fixed by law or by collectively bargaining agreements
- Industrial relations developed at a time when services were less important to the economy than they are today, and in an age when most people (other than those in agriculture) physically worked within an enterprise.

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[31] Sriyan de Silva, 1997, The Changing nature of Industrial Relations and Human Resource Management, ILO, ACT/EMP publications, Turin, Italy, (http://www.ilo.org/public/english)

Industrial relations paid less attention to competitiveness. This model of industrial relations is changing with globalization, even though globalization may not be the only cause. Globalization had led employers to push for less regulation of industrial relations, less standardization of employment relationship, and a greater focus on the workplace as the center of gravity of industrial relations (Silva, 1997)[32]

The business environment is so dynamic that it changes at a faster rate than ever. Global competition is heightened. Technological changes become swift. The workforce dynamics is increasing. Knowledge and skilled workers are emerging in abundance compared to the blue-collars, implying that these employees may resist "collectivism". Now, because of such changes in the business arena, industrial relations required to evolve with new outlooks that fit to the changes.

Silva (1997)[33] said, "Employers as well some governments are viewing industrial relations from more strategic perspective, i.e. how industrial relations can contribute to and promote workplace cooperation, flexibility, productivity and competitiveness. It is increasingly appreciated that how people are managed impact on an enterprise's productivity and quality of goods and services, labor cost, quality of the workforce and its motivation, and on the prevention of disputes as well as on aligning employees' aspirations with enterprises objectives." Organizations have to remain or become competitive for their survival and growth. This, in turn, calls for cost-effective, dependable, and flexible operations. To increase their capacity to respond rapidly to market changes, organizations need to introduce flexible employment relationships on areas such as

- flexible working hours,
- part-time work,
- different types of employment contracts to the standard ones familiar to collective industrial relations,
- Flexibility in functions, so that employees who are multi-skilled are not confined to the performance of only one task. They can cover up for absenteeism, and make some jobs redundant
- Flexible pay which involves some component of pay being dependent on performance, whether of the company, a group or the individual. (Silva,1997)[34]

The more competitive economic environment makes it very difficult for unions to take labour out of competition by traditional methods and procedures, and a more heterogeneous workforce weakens the common rule. The basic viability conditions for the industrial relations system shift from a concentration on security by contract, regulation, mass production, and national policies to

[32] Ibid
[33] Ibid
[34] Ibid

promote economic growth, to a system in which workers and firms gain stability and rewards by global strategies that give much more attention to productivity, flexibility, and quality (Marshall & Briggs, 1989: 449)[35]

The core competencies of organizations emanate from the skills and performances of the workforce. This fact calls for progressive human resource management policies and practices expressed in terms of proper recruitment and training, motivational systems, two-way communication and consultation mechanisms, quality of work life programs, career development, a people-oriented leadership and management style, etc... Sound industrial relations is then the basis of competitive advantage. The internationalization of business, intense competition and rapid changes in technology, products and markets have increased the need for economies and enterprises to remain or become competitive, these trends have in turn necessitated a greater reliance that before on workers skills, productivity and cooperation in achieving competitiveness (Silva, 1998)[36]. Will the legitimacy of unions continue?

The winds of change also appear from other sources. To be competitive, organizations continuously introduce wide range of flexibility measures; task flexibility, working time flexibility, and contractual flexibility. Rechard Croucher and Chris Brewster (1998)[37] noted that pressure to reduce costs in both public and private sectors, together with tight labor markets, have increasingly compelled European organizations to reconsider the ways that they arrange for work to be done. Consequently, there has been a widespread growth of flexibility.

Standard, long-term, full time, and permanent employment contracts are losing ground in this internationally oriented and highly competitive business environment. Practices of "non-permanent" employments such as part-time working, job-sharing, shift working, contracting, consultancies, teleworking, etc...

In large organizations a human resource management strategy may exist with a unitary agenda which focuses on the individual, and therefore limits the need for intermediaries in the form of trade unions (McCracken & Sanderson, 2004)[38]

2.4 *Areas covered by Industrial Relations*

Industrial relations is essentially concerned with the relationship between management and workers and the role of regulatory mechanism in resolving

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[35] Marshall, F.R. and V.M. Briggs, 1989, Labor Economics, 6th ed. R.D. Irwin, inc. U.S.A.
[36] S.R. de Silva, 1998, Elements of a Sound Industrial Relations System, ILO, ACT/EMP publications, Bangkok
[37] Richard Croucher and Chris Brewster, Flexible working practices and the trade unions, Journal of Employee Relations, Vol. 20, No. 5, 1998, pp.443-452
[38] Martin McCracken and Michael Sanderson, Trade union recruitment: Strategic options?, Journal of Employee Relations, Vol. 26, No.3, 2004, pp.274-291

and industrial conflicts (Aswathappa, 2002:468)[39]. In light of this, the following areas are covered by Industrial relations systems:

- Collective bargaining,
- Rule of management, unions, and government,
- Machinery for resolution of industrial disputes,
- Individual grievance and disciplinary policy and practice
- Labor legislation
- Industrial relations training

This study mainly focuses on the role of labor unions. Hence, these areas of industrial relations will not be given coverage in the study. Collective bargaining, as one of the major responsibilities of unions (and management), however, deserves brief discussion. So, what is collective bargaining?

The ILO Convention No. 98 (1949) relating to the Rights to Organize and to Bargain Collectively describes collective bargaining as:

"Voluntary negotiation between employers or employers' organizations and workers' organizations, with a view to the regulation of terms and conditions of employment by collective agreements."

As noted by Silva (1998)[40], the following are essential features of collective bargaining:

1. It is not equivalent to collective agreement because collective bargaining refers to the process or means, and collective agreements to the possible result, of bargaining. There may therefore be collective bargaining without a collective agreement.
2. It is a method used by trade unions to improve the terms and conditions of employment of their members, often on the basis of equalizing them across industries
3. it is a method which restores the unequal bargaining position as between employer and employee
4. where it leads to an agreement it modifies, rather than replaces, the individual contract of employment, because it does not create the employer-employee relationship
5. The process is bipartite, but in some developing countries the State plays a role in the form of conciliator where disagreements occur, or may intervene more directly (e.g. by setting wage guidelines) where collective bargaining impinges on government policy.
6. Employers have in the past used collective bargaining to reduce competitive edge based on labor costs.

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[39] Aswathappa, K. 2002, Human Resource and Personal Management, 3rd ed. Tata McGraw-Hill Publishing Company. New Delhi.

[40] S.R. de Silva, 1998, Elements of a Sound Industrial Relations System, ILO, ACT/EMP publications, Bangkok

Edward L. Zammit & Saviour Rizzo (2001)[41] noted that the net outcome of collective bargaining at both the national and enterprise levels has been a significant and tangible increase in living standards over a prolonged period. As a result, trade union membership has come to be regarded as an effective means of improving wages and other extrinsic rewards from work.

According to Ivancevich and Glueck (1989:729)[42], collective bargaining is a process by which the representatives of the organization (the employer) meet and attempt to work out a contract with representatives of the workers (the employee). This contractual agreement is hoped to give workers and management an identity of purpose and provide an atmosphere in which both focus their attentions towards the achievement of organizational objectives.

The current labor proclamation of Ethiopia (Proclamation No. 377/2003), 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 modifications of the collective agreement.**" (Article #124.2). This same proclamation sets and highlighted subject matter and contents of collective agreement, procedures of collective agreement and other matters such as process of validation and scope of application of the agreement.

There are many variables influencing the bargaining process: state of the economy, goals of the bargaining parties, public sentiment, labor law, precedents in bargaining, issues being discussed, and public sentiment (Ivancevich and Glueck (1989:737)[43].

Labor law requires that the parties must bargain in good faith. The above-mentioned proclamation states that each party shall have the duty to bargain in good faith (article 130.4). This is in the best interest of peaceful industrial relations. According to Ivancevich and Glueck (1989:737)[44], absence of good faith may include:

- An unwillingness to make counterproposals
- Constantly changing positions
- The use of delaying tactics
- Withdrawing concessions after they have been made
- Refusal to provide necessary data for negotiations

The bargaining environment, perceptions of the bargainers, and the complexity of the negotiations all influence outcomes (Fossum, 1999: 327)[45].

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[41] Edward L. Zammit and Saviour Rizzo, The Perceptions of trade unions by their members, Journal of Employee Relations, Vol. 24, No.1,2002, pp. 53-68, Emerald

[42] Ivancevich, J.M. and W.G. Glueck, 1989, Fundamentals of Personnel: Human resource management, Richard D. Irwin, U.S.A.

[43] Ibid

[44] Ibid

[45] Fossum, J.A. 1999. Labor relations. C.S. Beytien. USA

The possible outcome of collective bargaining is collective agreement. The fundamentals of labor agreement specify the rights, responsibilities and protection of management and the union (Stanley, 2003)[46].

Collective agreement has the advantage that it settles issues through dialogue and consensus rather than through conflict and confrontation. Collective agreement is a form of participation. Both parties participate in deciding what proportion of the 'cake' is to be shared by the parties entitled to a share (Silva, 1998)[47]

2.5 *Parties to Industrial Relations*

Industrial relations process involves several parties; employees, unions and government are the key participations. The major parties to IR are the employees, employee representatives, employers, association of employer's, government, and courts and tribunals (Aswathappa, 2002)[48]

According to Silva (1997)[49], industrial relations systems and practices are shaped by the three main actors-governments, workers/unions and employers/employers' organization.

2.6.1 Employees/union

Employees are at the center of industrial relations. Employees influence whether the firms that employ them achieve their objectives, and shape the growth and demands of unions. (Katz and Kochan; 1992:3)[50]

Employees form unions. According to Ethiopian labor law, Trade union' means an organization formed by workers. The subject of this study is enterprise level union having this meaning. Unions aim and work to secure better terms and conditions OF EMPLOYMENT. Unions rely on the collective power of employees to compel management towards the needs and wants of employees. Employees are also instrumental to the success of the organization where they work.

According to Holley and Jennings (1997:34)[51], the following are the four criteria upon which the strength of any labor organization depends:

- Its structural and financial stability
- Its ability to work within established political and economic systems, particularly the wage system

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[46] Stanley, T.L., Good management/union relations can be a sweet deal, Journal of Supervision, 2003, USA
[47] S.R. de Silva, 1998, Elements of a Sound Industrial Relations System, ILO, ACT/EMP publications, Bangkok
[48] Aswathappa, K. 2002. Human Resource and Personal Management, 3rd ed. Tata McGraw-Hill Publishing Company. New Delhi.
49 Sriyan de Silva, 1997, The Changing nature of Industrial Relations and Human Resource Management, ILO, ACT/EMP publications, Turin, Italy, (http://www.ilo.org/public/english)
[50] Katz, H.C. and T.A. Kochan. 1992. An introduction to collective bargaining and industrial relations. A. Sachs, D. Alpert, and S.H. Gillams. U.S.A.
[51] Holley, W.H. and K.M. Jennings. 1997. The Labor relations process. Harcourt Brace college publishers. U.S.A.

- Supportive and disruptive features of the broader social environment such as legislation, media, and public opinion
- The ability of union leaders to identify and satisfy members' goals and interests

Enterprise level unions, federations and confederations at industry and national level are all expected to promote the interests and rights of employees.

2.6.2 *Management*

Management represents the employer. They are agents of the employer responsible for promoting the goals of employers and their organization. According to Katy & Kochan (1992:3)[52], management encompasses at least three groups:

1. owners and shareholders of an organization,
2. top executives and line managers, and
3. industrial relations and human resource staff professionals who specialize in managing relations with employees and union

Management and leadership practices directly influence industrial relations circumstance in a company. As it was cited by Tsege Gebissa (2005)[53], Brewster (1984) noted, "management is responsible in running the organization, and which should accept responsibility for employee relations which are an integral part of the whole management process."

Employers' associations (for instance, Ethiopian Employers' Federation) work to protect and promote the legitimate interests of employers especially at the time of enacting laws pertinent to labor relations.

2.6.3 *Government*

The state, as of today, regulates the relationship between employers and employee and seeks to protect the interests of both groups. The government has set up wage boards, labor courts, tribunals and enacted laws to lay down norms and to enforce their compliance (Aswathappa, 2002:475)[54]

Holley & Jennings (1997:76)[55] said, "Labor relations law serves as the framework for most of labor relations activities: organizing union, negotiating labor agreements, and assuring employee rights in contract administration." The nature of labor laws is influenced by the political philosophies and economic imperatives of a country.
Above all, government regulation aims at creating an atmosphere of peaceful industrial relations and then all round development of a nation. The preamble

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[52] Katz, H.C. and T.A. Kochan. 1992. An introduction to collective bargaining and industrial relations. A. Sachs, D. Alpert, and S.H. Gillams. U.S.A.
[53] Tsege, G. 2005. Assessment on Industrial Relation climate, Addis Abeba.
[54] Aswathappa, K. 2002, Human Resource and Personal Management, 3rd ed. Tata McGraw-Hill Publishing Company. New Delhi.
[55] Holley, W.H. and K.M. Jennings. 1997. The Labor relations process. Harcourt Brace college publishers. U.S.A

of the Ethiopian labor proclamation (Proclamation No. 377/2003), for instance, states ***" WHEREAS, it is essential to ensure that worker-employer relations are governed by the basic principles of rights and obligations with a view to enabling workers and employers to maintain industrial peace and work in the spirit of harmony and cooperation towards the all-round development of our country;"***

These parties to industrial relations are instrumental in ascertaining peaceful industrial relations both at national, industrial and local levels. Though each party has its own roles, this study focuses on the role of trade unions.

2.6 Manifestations of Sound Industrial Relations

The responsibility of establishing and maintaining sound industrial relations is with all the actors. Successful formulation and implementation of labor law at national level and collective agreement at industry and enterprise level impacts the nature of industrial relations in a nation, industry and a company. Government and its different organs have significant role in this regard.

"The fundamental premise of a sound industrial relations system is the recognition and existence of the freedom of association accorded to both employers and workers", said Silva (1998)[56].
The same author described that the qualities of industrial relations at enterprise level is also influenced by the policies, practices and procedures which exist at enterprise level to deal with both the individual and collective issues, and to promote labor-management cooperation

The productivity movement of Japan in 1950s and those of Europeans countries clearly shows the link between labor management relations and productivity. They have good productivity records emanating from sound relations between labor and management. According to Silva (1998)[57], these productivity movements were based on the principles such as

1. In the long- term, productivity increases employment security. Therefore redundant workers should be relocated by the employer
2. Concrete measures to enhance productivity should be decided through labor management consultation which will be promoted
3. Productivity gains should be distributed fairly among management, employees and customers.

Industrial relations systems are components or subsets of social systems and serve the same conceptual purpose as economic systems. IRS[58] therefore plays very important roles in overall economic performance. Indeed, IRS influence such important matters as productivity, international competitiveness,

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[56] S.R. de Silva, 1998, Elements of a Sound Industrial Relations System, ILO, ACT/EMP publications, Bangkok (http://www.ilo.org/public/english/dialogue/actemp/papers/1998/srseleme.htm)
[57] Ibid
[58] IRS- industrial relations system

inflation, employment, and unemployment, and therefore political and economic stability in a country (Marshall & Briggs, 1989:438)[59]

Both employees and employers can benefit from increases in productivity through higher wages and higher profits. In light of the pluralistic view, there are different stakeholders to an organization with varying objectives. A single objective cannot satisfy all the parties. The essence of an effective employment relationship is one in which the parties both successfully resolve issues that arise from their conflicting interests and successfully pursue joint gains (Katy *& Kochan, 1992*)[60].

Whatever way it is defined and interpreted, industrial relations is means to bring a sound relationship among the parties to it. This sound and peaceful relationships is the basis for productivity and efficiency to the organization, better terms & conditions to employees, and better economic development for the nation. All stakes are beneficial of peaceful industrial relations. Jack Fiorito (2006)[61] expressed that better industrial relations were seen as the solution to labor problems.

According to J. Schregle, as it was noted by Silva (1998)[62], a sound industrial relations system is one in which relationships between management and employees (and their representatives) on the one hand, and between them and the State on the other, are more harmonious and cooperative than conflictual and creates an environment conducive to economic efficiency and the motivation, productivity and development of the employee and generates employee loyalty and mutual trust. Industrial relations seek to balance the economic efficiency of organizations with equity, justice and the development of the individual, to find ways of avoiding, minimizing and resolving disputes and conflict and to promote harmonious relations between and among the actors directly involved, and society as a whole.

Stanley, T.L. (2003)[63], noted that by way of establishing and maintaining favorable working arrangements with unions, managers and supervisors will be able to keep organizations running at peak performance. If labor relations is approached in a positive manner, employers can minimize employee frustrations and improve operating efficiencies by addressing employee concerns. The same author noted that productive operations are vital to unions. When organizations are effective and successful, union employees are provided additional opportunities for growth and development.

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[59] Marshall, F.R. and V.M. Briggs. Labor Economics, 6th ed. R.D. Irwin, inc. U.S.A

[60] Katz, H.C. and T.A. Kochan. 1992. An introduction to collective bargaining and industrial relations. A. Sachs, D. Alpert, and S.H. Gillams. U.S.A.

61 Jack Fiorito, 2006, Industrial Relations: Background, Current status of the field, Thomson Gale, (http://www.referenceforbusiness.com/http://www.referenceforbusiness.com/encyclopedia/Inc-Int/Industrial-Relations.html))

[62] S.R. de Silva, 1998, Elements of a Sound Industrial Relations System, ILO, ACT/EMP publications, Bangkok (http://www.ilo.org/public/english/dialogue/actemp/papers/1998/srseleme.htm)

[63] Stanley, T.L., Good management/union relations can be a sweet deal, Journal of Supervision, 2003, USA

employers. Unions also stress the importance of continual improvements in living standards for their members, best attainable through increases in their pay (*Fossum, 1999:3*)[69].

Unionization enhances the bargaining power of employees. In collectivity, the union rather than the individual employee becomes, in a sense, the supplier of labor because the contract establishes the rates for which all labor will be paid (*Fossum: 1999:3*)[70]

Alemayehu Mulugeta (2004)[71] has given account of the historic development of labor in Ethiopia. According to him, Ethiopian workers were subject to merciless exploitations from employers who were mostly foreigners. This initiated bitter struggle, and resulted in the formation of the first worker association named Franco-Ethiopian Workers Association in 1945. As Alemayehu noted, forced by the then labor movement, the first labor legislation was enacted in 1945 which aimed to guide the employee administration of the country. The struggle intensified and continued keeping its dynamism that is contingent upon on the characteristics of the workforce, government ideology and the economic environment. Currently, there is freedom of association and collective bargaining in Ethiopia. Labor Proclamation # 377/2003, under articles 113(1) and 125(1) and (2), gives the right to establish and form trade unions or employers associations and the right to bargain a collective agreement, respectively. The rights of employees and employers are also set out.

These days, organizations are well cognizant of the significance of sound human resource management systems to attain success in a highly competitive business environment. Accounting to the growth in legal framework, increase in consciousness of workers, and exigencies of the time, we may not encounter those extreme exploitations experienced decades or centuries ago. At least it is not a common practice. But there still is the need for unionization.

3.2 *Why Employees join Unions?*

According to Aswathappa (2002:482)[72], employees take two types of contracts with their employer. When an individual takes a job, certain conditions of employment (security, wages, hours of work, and type of work) are specified in the employment contract. A psychological contract also exists between employer and employees consisting of the unspecified expectations of the employee about reasonable working conditions, requirements of the work itself, the level of effort that should be expended on the job and the nature authority

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[69] Fossum, J.A. 1999. Labor relations. C.S. Beytien. USA
[70] Ibid
[71] Alemayehu, M.2004. Assessment of the condition of employee-management relationship. Addis Ababa
[72] Aswathappa, K. 2002. Human Resource and Personal Management, 3rd ed. Tata McGraw-Hill Publishing Company. New Delhi.

the employer should have in directing the employee's work. Employees get organized in anticipation of better terms & conditions of employment relations than what can be achieved with individualized behavior.

Employees may desire to form a union or join an already existing one for various reasons. Unionization is one method employees can use to counter employers powers to unilaterally change employment conditions. It is, largely, the corollary of incorporation. Unionization introduces democracy into the employment relationship (*Fossum, 1999:2-3*)[73]. The same author cited Brett in that dissatisfactions within workplaces resulting from job securities, economics, and supervisory practices were most predictive of a union vote across a set of studied elections. The presence and level of organizing activity in units of large multi-location company were predicted by poor supervision, co-worker friction, quantity of work required, lack of advancement, bad feelings about the company, physical surroundings, and the kind of work done.

Even though it is not a 100% guarantee that unionization will foster better wages, benefits, working conditions and supervisory practices than non-unionized employees, perceived dissatisfaction in these areas may motivate employees to join unions.

As it was cited by Ivancevich & Glueck[74], Sochell accounts that it is generally correct to state that employees join unions to satisfy needs that are important to them. These needs and what is important differ among individuals. The following are some of the needs that motivate employees joining unions.

1. Many employees want some assurance that their jobs will exist in the future. (Job security)

2. People need to socialize and be part of a group unions meet there needs by brining together people with similar interests and goals. Through meetings, social wants, educational programs, and common projects, unions can build a strong bond of friendship and team sprit.

3. A safe and healthy place to work is important to employees.

4. Union provides employees with a communication link to management. This link enables them to express dissatisfactions and disagreements about the job, management, and other issues. One such link is the grievance procedure detailed in the union management contract.

5. Compensation is an important reason for working. Employees want to receive a fair day's pay for a fair day's work and round fringe benefits.

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[73] Fossum, J.A. 1999. Labor relations. C.S. Beytien. USA
[74] Ivancevich, J.M. and W.G. Glueck. 1989. Human resource management. G.L. Nelson. U.S.A.

The need for collective behavior gives rise to formation of unions. According to Holley & Jennings (1997:162-163)[75], two sets of explanations propel employees at a particular facility to vote for a union. The first set of explanation is related to work & job conditions. The second Employees' Background and Needs, where employees' previous experiences with unions can strongly affect their attitudes toward unions and their decision to join one. According to the same authors, unions like all formal organizations, potentially satisfy the members needs by providing a means of enhancing a sense of identity and maintaining self esteem. Thus, unions can appeal to three interrelated social needs of members: the need for affiliation, or belonging; the need for status; and the need to belong to something purposeful, useful and creative that is on a higher level than improved wages and working conditions. Holley and Jennings provide the framework of variables that influence an employee's decision to join a union or not.

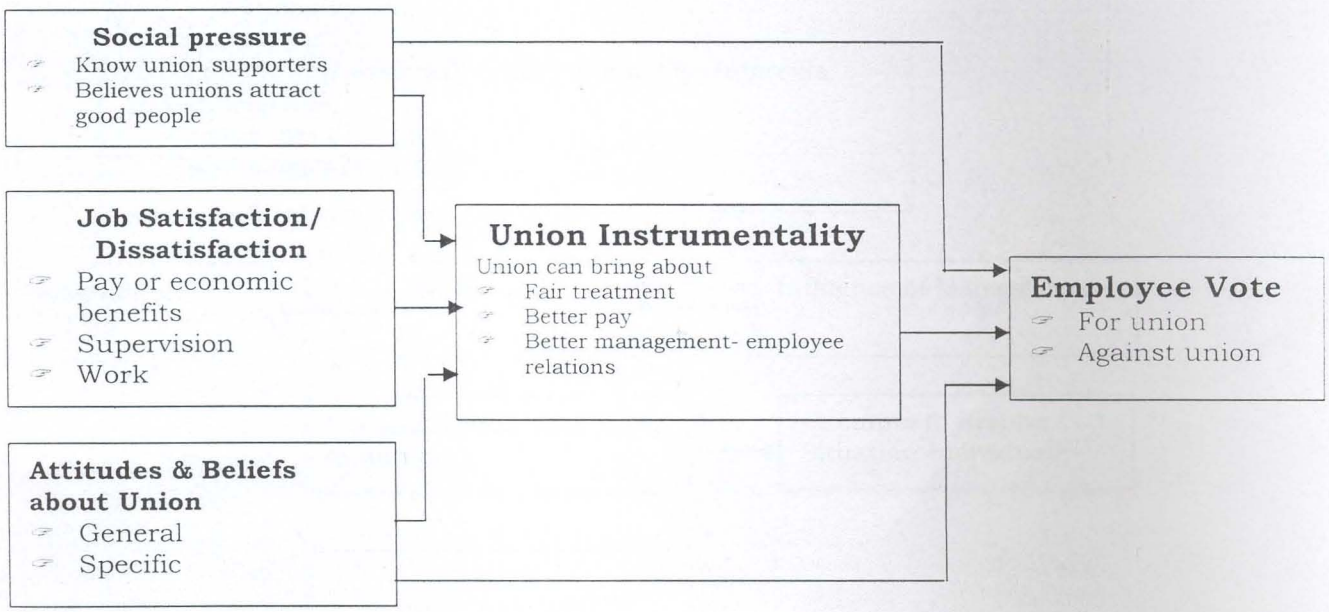


Exhibit 1: Influences on Employees on Whether to Vote For or Against a Union

General beliefs about unions includes an employees believes that a union will improve wages, benefits & working conditions. It also incorporates an employees believes that unions are a autocratic, increase the risk of plant closing, stifle individual initiatives, or ignore the members in strike decisions.

Specific beliefs about unions are more related to an individual's job and workplaces, expectations about improvement in pay, benefits, and job security. It also includes expected improvements in recognition, job advancement, worker participation, treatment by supervisors, and reduction in sexual and racial discrimination on the job. Holley & Jennings[76] cited Thomas A. Decottis & Jean-Yues Le Lovarn in that social pressure, job dissatisfaction, and general

[75] Holley, W.H. and K.M. Jennings. 1997. The Labor relations process. Harcourt Brace college publishers. U.S.A.
[76] Ibid

and specific beliefs about unions interact with union instrumentality, which is the employees' perception of whether wages, improved working conditions, job security, and protection from arbitrary treatment by management.

This behavior of voting for and the decision to join a union or not is explained in different ways by different authors. According to *Aswathappa (2002:482)*[77], dissatisfaction on conditions of employment, lack of power to resolve the matter by oneself, and union instrumentality interplay to form an individual's behavior in this regard. As it was cited by Aswathappa (Randall S. Schuler, et al., Effective Personnel Management, p.562) the figure below summarizes factors influencing an employee's decision to join or not a union.

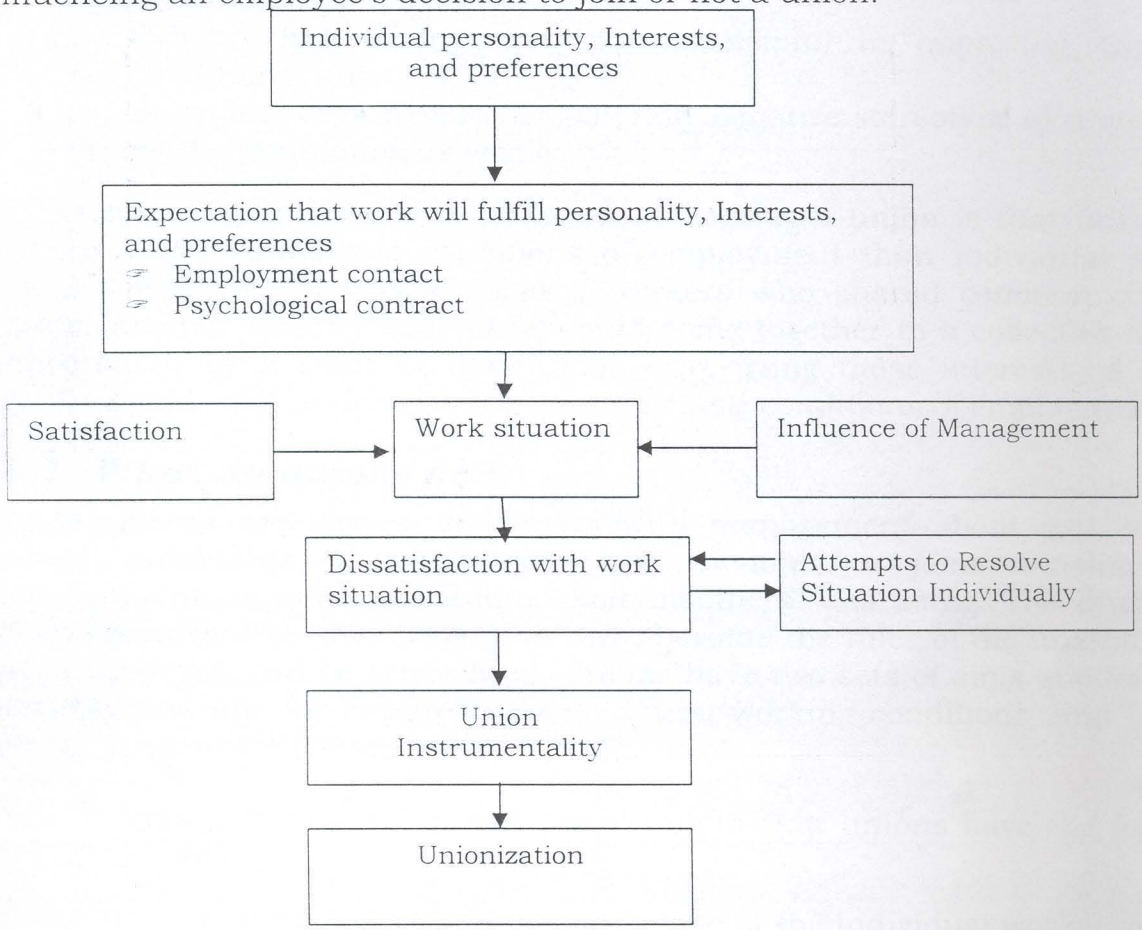


Exhibit 2: Factors leading to unionization

Employees experiencing employment practices perceived to be contra to their interests, motives and expectations and having less participation in the decision process affecting their interests and rights, the nature of their job or any aspect of their employment & psychological contracts tend to join union.

[77] Aswathappa, K. 2002. Human Resource and Personal Management, 3rd ed. Tata McGraw-Hill Publishing Company. New Delhi.

They anticipate that the union will create a better ground in the future; hoping that subsequent contractual negotiations and collective bargaining will bring about improved terms & conditions of employment creating an enabling work environment whereby future management decisions are improved or, at a minimum, give employees greater voice in the process by which future decisions are made.

According to Katz & Kochan[78], evidence shows that for workers to express a preference for unionizing they must:

1. Be deeply dissatisfied with their current job and employment conditions.
2. Believe that unionization can be helpful in improving there job conditions, and
3. Be willing to overcome the generally negative stereotype of unions held by the population as whole.

In general, the underlying assumption in forming a union is that unions will secure better terms and conditions of employment than individual actions. Jedel[79] explains, "It was felt that if workers who shared common concerns about income, security and status could come together in a collective fashion, represented by a trade or craft union supporting those interests, a greater parity would exist in determining the terms and conditions of employment."

3.3 What do unions do?

Trade unions are formed to bargain with management about pay, working hours, conditions of employment and to make a joint decisions with management on matters affecting their members' well being. The drives that push employees to unionization, in turn, become the roles of the unions. These roles, however, can be generalized. Unions have two sets of aims one for union security and one for improved wages, hours, working conditions, and benefits for their members (Dessler, 2003:398)[80].

Aswathappa (2002:473)[81] quoted Armstrong in that unions have the following broad objectives.

1. To redress the bargaining advantage of the individual worker vis-à-vis the individual employer, by substituting joint or collective action for individual action.

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[78] Katz, H.C. and T.A. Kochan. 1992. An introduction to collective bargaining and industrial relations. A. Sachs, D. Alpert, and S.H. Gillams. U.S.A.

[79]

[80] Dessler, G. 2003. Human Resource Management, 9th ed. A.K. Ghosh, Prentice-Hall of India private Limited, New Delhi,

[81] Aswathappa, K. 2002. Human Resource and Personal Management, 3rd ed. Tata McGraw-Hill Publishing Company. New Delhi

2. To secure improved terms and conditions of employment for their members and the maximum degree of security to enjoy these terms and conditions,

3. To obtain improved status for the worker in his or her works and

4. To increase the extent to which unions can exercise democratic control over decisions that affect their interests by power sharing at the national, corporate and plant levels

Trade unions play critical roles in industrial relations. The role of a union is to fulfill employee's perceived needs and answer job-related concerns (Holley & Jennings, 1997:198)[82]. Unions have various appealing features such as job security, protection against unfair management action, and the communication link to management.

As workers representatives, trade unions provide workers with a 'collective voice' to make their wishes known to management and thus bring actual and desired conditions closer together (Armstrong, 1996)[83].

As noted by Omata[84] the union effectively worked as a bridge between laborers and managers and greatly enhanced the overall performance of industry through its mediation power. For instance, union cadres directly educated new workers about proper behavior in the working place. More surprising, managers asked the union for help when they themselves failed to control unruly workers. On the other hand, the union did not give up its function of fostering a collective identify and promoting collective interests of workers.

Zammit and Rizzo (2001)[85] cited Allen (1996, P.49) in that all definitions of trade unions concur with the view that their main purpose is to improve and promote the living standards of their members. Indeed trade unions are seen primarily as agents constantly striving to improve the conditions of work of their members through bargaining and negotiation

The rational base of trade union is the conflicting interests between employers and employees. As noted by Jedel[86] (www.robinson.qsu.edu/magazine/jedel.html) proponents of labor union argued that conflict occurred between employees and employers concerning

(a) the relative division of profit
(b) employee concern about job security and protection against arbitrary or subjective managerial actions versus management's claimed

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[82] Holley, W.H. and K.M. Jennings, 1997, The Labor relations process. Harcourt Brace college publishers. U.S.A.
[83] Armstrong, Michael, 1996, A handbook of Personnel Management Practice, London, Clays ltd, St. Ives plc.,)
[84] Omata, Naohiko, Positive Role of Labor Unions (ocw.mit.edu) printed on 6/6/2006
[85] Edward L. Zammit and Saviour Rizzo, The Perceptions of trade unions by their members, Journal of Employee Relations, Vol. 24, No.1,2002, pp. 53-68, Emerald
[86] Jedel, Michael, The Role of Today's Labor Movement, (http://www.robinson.gsu.edu/magazine/jedel.html) printed on 6/6/2006

right and need to exercise its discretion to the enterprise as it saw fit; and

(c) What, if any, role was to be accorded employees in fundamental decisions affecting the employer's operations.

The collective behavior is then an effective means of advancing the interests of employees in these areas. Besides, unions sometimes may have the objective of enhancing and, if possible, guarantee individual security against threats and contingencies that might result from market fluctuations, technological changes, or managerial decisions.

3.4 *Tactics of Unions to influence employers*

The strength of unions lies in the membership. The members' contribution finances the activities of the union. The financial base of the union is an important factor in securing favorable labor agreement. The membership size also determines the tactics the union employs to influence management. Hence, one of the major tasks is to expand their membership to attain a higher union density.

The road is not always smooth. Unions sometimes are subjected to extreme confrontation with management in their way to fulfill responsibilities they have shouldered. In such cases where management is becoming stubborn with its ideals, unions use different mechanisms in an effort to bring the management into terms. Some of these mechanisms are strike, picketing, boycott, corporate campaign, inside game, etc...

Third-Party Involvement such as conciliation, labour relations board, and labour courts may also be opted to resolve disputes on matters of employment relation during collective bargaining or administration of the collective agreement.

Labour legislations usually include provisions regarding conditions need to be met before application of such devices. For instance, the current labour proclamation of Ethiopia gives workers the right to strike to protect their interest (article 157(1)). Of course, with conditions need to be fulfilled. Correspondingly, employers are given the right to lock-out (157(2)) but, similarly, with conditions need to be fulfilled.

3.5 *Employers & Employees attitude towards unions*

The attitudes of employees toward unions influence whether they will join or support a union in the workplace. Managerial attitudes toward unions in general and the union officials they deal with in particular, also affect labor relations.

If management is very antiunion, the negotiation and administrative process will not proceed smoothly. The union is the other focal organization in effective

collective bargaining relationships. Union officials and management interact daily and at contract time. Union and managerial attitudes toward each other affect the degree of peace and effectiveness that can exist in labor management relations (Ivancevich *& Glueck, 1989:692*)[87].

According to Wheeler (2006)[88], powerful global corporations have become the predominant actors in employment relations around the world. Neither national laws nor trade union rules have proved able to regulate the behavior of corporations. They tend to promote the shareholders view, instead of pluralistic view of their responsibility.

A number of organization in the international arena stand against the tendency of corporations to exploit workers. One of these is ILO, a UN agency.

As Wheeler (2006)[89] makes mention of United Nation's draft statement entitled "Norms on the responsibilities of transnational corporations and other business enterprise with regard to human rights." It holds that business as well as nations share in the responsibility for protecting human rights. The rights of workers include enterprises:

1. Refraining from using forced labor
2. protecting the rights of children against " economic exploitation"
3. Providing a safe and healthy work environment
4. providing " remuneration that ensures an adequate standard of living for (workers) and their families", and
5. "ensuring freedom of association and effective recognition of the right to collective bargaining" as provided by national and " relevant conventions of the International Labor Organization"

3.6 *Strategies to Remain Union-free*

Employers, in most cases, are not happy of the existence of unions. They always attempt to avoid or weaken union's strength. Ivancevich & Glueck (1989:718)[90] noted that management typically does not support union tactics. It is for various reasons that employers discourage unionization. According to Aswathappa (2002:493)[91], management's fear about unions stem from increased cost because of higher remuneration and other non-monetary benefits and services, loss of control of operations (erosion of management's authority), loss of freedom to reward superior performance, and lack of ability to adapt quickly to changing demands.

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[87] Ivancevich, J.M. and W.G. Glueck. 1989. Human resource management. G.L. Nelson. U.S.A.
[88] Hoyt N. Wheeler, Should Corporations "Do Right" Voluntarily? , Journal of Perspective on Work, pp.5-7, 2006
[89] Ibid
[90] Ivancevich, J.M. and W.G. Glueck. 1989. Human resource management. G.L. Nelson. U.S.A.
[91] Aswathappa, K. 2002. Human Resource and Personal Management, 3rd ed. Tata McGraw-Hill Publishing Company. New Delhi.

Many organizations attempt to keep unions out of their plants. They feel that this gives them grater freedom over the control of labour costs. Perhaps more importantly, they feel that they retain a degree of flexibility of labour deployment that is often reduced by the many agreements that labour leaders, understandably, wish to make to "better" the terms of employment of their members. If a company loses flexibility, it may lose the ability to innovate and to be competitive (Richard Cardinali, 2000)[92].

As cited by Fossum (1999:194)[93], a study of large nonunion organizations concluded that two types of firms operate without unions. Fossum explained the two approaches as follows.

1. **Doctrinaire**, doctrinaire organizations explicitly desires to operate without unions and implements personnel policies it believes will lead employees to resist them. Fossum quoted D.G. Taras in that the personnel policies of such organization frequently mimic what unions have won in similar organizations through collective bargaining; for example, paying wages equal to or exceeding what unions have negotiated in that industry. This approach reduces the likelihood that issues would arise to lead to unionization.

2. **Philosophy-laden,** organizations which adopt a "philosophy-laden" approach create an employment relationship that fits a particular culture and manner of treating employees. As a result, employees see their situations as being, in most respects, as good as or better than what they would be able to negotiate if they were represented.

To avoid unionization, employers employ various strategies and implement preventive programs. Locating the plant in lightly unionized areas, attractive wage and benefit policies, good staffing practices, employee grievance systems, open two-way communication, and participation and involvement of employees in decision making are used as strategies among others. Effective personnel research to improve the human resource management policies and practices on timely and continuous manner is also used as preventive mechanisms. Covering all the areas of employment relationships and work conditions, effective personnel research aims at identifying and tackling problems at early stage. Aswathappa[94] said, "Ignored problems stoke fire and unionization is thought of as a remedy to extinguish the fire."

Mangers, therefore, develop long term strategies and effective tactics to prevent unionization of their organizations. The more important of them, according to

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[92] Richard Cardinali, The cyber nights vs. trade unions: determining workplace futures, Journal of Work Study, Vol. 49, No.6,2000, pp.223-228

[93] Fossum, J.A. 1999. Labor relations. C.S. Beytien. USA

[94] Aswathappa, K. 2002. Human Resource and Personal Management, 3rd ed. Tata McGraw-Hill Publishing Company. New Delhi.

Aswathappa (2002:493)[95], are effective supervision, open communication, effective personnel research, healthy and safe working environment, effective employer-employee relations, effective remuneration, effective training and development programs, and effective personnel planning, recruitment and selection.

Salamon, cited by McCracken and Sanderson (2004)[96], comments on what has been a growing trend of deliberate management policies to exclude trade unions (where a non-union policy is in operation), or marginalize trade unions such as the tactic of promoting joint consultation as a replacement for collective bargaining: ***Human resource management approaches certainly emphasize individualism and the direct relationship between management and its employees. Quite clearly, therefore, it questions the collective regulation basis of traditional industrial relations. Indeed, it may be argued that an essential part of a HRM approach is that negotiations with trade unions, as the representatives of employees, and other such industrial relations activities are to be avoided, removed or, at least, minimized.***

As other authors, Donald D. White and David A. Bednar (1986), Silva (1998), ***et al***, noted organizations are instituting Quality of Work Life (QWL) programs with the aim of combating workers alienation, integrating workers and encouraging worker involvement in the enterprise.

Stephen P. Robbins (1991: 670)[97] while referring that QWL encompasses a large number of interventions, he quoted R.E. Walton in that the interventions are divided into eight specific categories:

- Adequate and fair compensation
- A safe and healthy environment
- Jobs that develop human capacities
- A chance for personal growth and security
- A social environment that provides personal identity, freedom from prejudice, a sense of community, and upward mobility
- Rights of personal privacy, dissent, and due process
- A work role that minimizes infringement on personal leisure and family needs
- Socially responsible organizational actions

Silva (1998), Aswathappa (2002), and Basu Sharma(1992) ***et al***, noted that empirical studies have positive effects of human resource management policies and practices that enable workers to satisfy their needs, goals, and aspirations while performing their jobs and working with colleagues. It increases workers motivation and instill a sense of responsibility. This is the essence of quality of work life. If arranged to address the economic security and job satisfaction of employees and the basic economic needs of the company, such QWL programs

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[95] Ibid

[96] Martin McCracken and Michael Sanderson, Trade union recruitment: strategic options? , Journal of Employee Relations, Vol.26, No. 3, 2004, pp. 274-291, Emerald

[97] Robbins, Stephen P., 1991,Organizational Behavior: Concepts, Controversies, and Applications,5th ed., Prentice-Hall of India, New Delhi

have positive effect enhancing productivity and quality, reducing absenteeism, grievances, quits, and on increasing job satisfaction, and health and safety practices.

3.7 *The Future ahead of Labor Unions*

Traditionally, unions espouse the responsibilities of improving the working conditions and protecting the rights and interests of their constituents through mechanisms of collective bargaining. This is at times of collective industrial relations systems. The face of industrial relations is changing. The "collective", standard contract based, and highly regulated industrial relations old model is giving way to flexibility and non- standard systems. It seems that the sun is setting for "one-size-fits-all" approach.

A decline in number of unions and their membership has been reported in various studies. It has been presented as issue of debate on notable world Medias. As it was cited by Fossum (1999:142-143)[98], P.C. Weiler, H.S. Farber and A. B. Krueger, noted the following influenced this drop-off.

- changes in industrial concentration and occupational mix,
- enforcement of laws and regulations supporting collective bargaining as the preferred method for handling industrial disputes has increasingly lax
- reducing the ability of unions to organize and employees to secure their rights to bargain
- nonunion employees are now as satisfied with their job outcomes as their unionized counterparts

Internationalized competition and globalization could also explain the decline in the relative influence of unions and the labor movement. Jedel[99] stated that there are multiple reasons for this decline:

- The global economy forces companies to operate on a worldwide scale
- Employment security is now closely tied to the economic strength of the company and not to collective bargaining power
- Unions are perceived as being powerless to prevent downsizing
- Sophisticated HR systems and practices can deal fairly with labor issues

Richard Cardinali[100] noted, "In the past, when one sector automated, a new sector emerged just in time to absorb the displaced workers. This has been the history of the industrial revolution/evolution. The likelihood is that there will never be enough jobs in the knowledge economy to accommodate the millions of people who "fall out" from the downsizing traditional industrial sectors, blue- and white-collar manufacturing and services. The Industrial Age ended slave labour. The Information Age may end mass wage-labour and, thus, unions."

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[98] Fossum, J.A. 1999. Labor relations. C.S. Beytien. USA

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[100] Richard Cardinali, The cyberknights vs trade unions: determining workplace futures, Journal of Work Study, Volume 49, 2000, pp.223-228

According to the same author, perhaps the greatest threat to the union is that in today's modern, technology-based companies we see not only the moves towards more flexible workforces, but we also see the development of new approaches to hiring and retaining employees-borne out of strong competition for talent. These companies realize that their principal strength lies in their highly intelligent and motivated staff. By default, these companies end up treating their employees well, providing for their legitimate needs and being responsive to their concerns. This approach negates the need for a union as the workers are made to feel that they are employed by a "caring" organization in which they will enjoy benefits equal to or greater than unionized employees. So, the approach to employment adopted by the cyberknights-borne out of self-interest-may remove the need for trades unions.

The increasing dynamics of employees, "substitutions" strategies of employers, the drive for flexible employment relationships and working, and the impact of Information Age all come together to question the legitimacy of unions. They will further exposed to membership decline that is the basis of their power and finance. According to Croucher and Brewster[101], the growth in flexible working is an inevitable route to a slow death

What is the fate of unions then? Will they disappear? Or, what new role they will assume? No doubt, this circumstances call for restructuring and reforming, at minimum. They require reassessment of their roles and strategies. The future ahead of unions, what challenging! Will they find purpose?

[101] Richard Croucher and Chris Brewster, Journal of Employee Relations, Vol.20, No.5, 1998, pp 443-452

Chapter 4: Sound Industrial Relations: An Opinion Study

4.1 Introduction

This study, a case study by its nature, tries to asses the situation of labor relations in St. George Brewery. This factory, located in Addis Ababa, is the nation's first brewery and founded 84 years ago in 1922 when Ethiopia had just started to see sparks of modern technology of the time. At that time, Ethiopia was under the rule of Empress Zewditu Menilik and Addis Ababa was not even three decades old.

According to St. George's 80th Anniversary issue, the factory was set up by Mussie Dawit Hale, a Belgian, who sold it to a German Company afterwards. The management staffs of the factory and the leading technicians who controlled the Brewery's activities were all foreigners. In 1952/3, an Ethiopian Company took over the Brewery and then the company was organized as a shareholding entity, where the larger share of which was owned by Emperor Haile Sellassie. The factory was nationalized in 1974, after the Derg regime took over control over the country.

The aforementioned Publication provides the accounts of the progressive growth of the company over the years. It gives high credit to the enthusiasm and commitment of workers for the company's remarkable advancement in technology, productivity, and popularity.

The factory was once again privatized in 1999 following the privatization policy of the current government. The factory is now owned by BGI, an internationally acclaimed Brewing company that operates in many countries. In Addition to St. George Brewery, BGI Ethiopia plc owns another newly established Branch in Kombolcha, Amhara Region

It has just finalized and inaugurated plant expansion and modernization project with the objective of increasing production volume. The sales volume and profitability of the company is also growing. Analysis of the last three years (2005, 2004, and 2003) production data reveals that production rate has been continuously increasing. On average, it has been increasing by 28% annually. Considering year 2003 as base year, year 2005 product volume has increased by 63%. Sales, for instance, has increased by 75.79% in 2005 compared to that of 2003. Becoming out of loss, which the company encountered immediately after privatization, the company's profit is now steadily increasing.

Currently, the factory has about 351 employees, out of which 311 based in Addis Ababa. The study population of this paper is 286 employees (excluding executives and union officials) who are residing in Addis Ababa. There are two

sets of human resource management policies and practices one applicable to the executives and the other for workers. All policies and practices applicable to workers are entrenched in the Collective agreement. The collective agreement is used as a guiding manual in this regard.

Unionization is long stayed practice in St. George Brewery. The union was established in 1967 during the era of Emperor Haile Sellassie. Currently, there is a trade union named as St. George Brewery Trade Union. It is surprising that almost all of the workers are members of the labor union (100% union density).

The union is part of the umbrella organization Confederation of Ethiopian Trade Unions through its federation, Federation of Food, Beverage, Tobacco, and Allied Workers Trade Unions. The number of unions and membership in the confederation fluctuates from time to time. Currently, it is estimated that it has about 491 member unions having entirely 230,000 members.

According to one of the Confederation of Ethiopian Trade Unions (CETU) officials (Ato Aregawi Belay, President of the National Federation of Tourism, Hotels, and General Service Workers Trade Unions), CETU, the various federation different sectors of the economy, Ethiopian Employers' Federation, each individual organization and corresponding enterprise level trade unions, workers, and Ministry of Labor and Social Affairs(MOLSA) and other pertinent organs of the government work together to promote and advance sound industrial relations at national, industry, and enterprise levels.

According to Aregawi, conflicts and disputes that demand the interference of parties external to an enterprise are rampant mainly caused by employers. There are problems and challenges at all stages; during unionization campaigns, collective bargaining, and administration of collective agreement.

As to the same CETU official, employers discourage unionization campaigns through different mechanism ranging from not allowing time for unionization activities to dismissal of key organizers. There are real cases that occurred here in Addis Ababa.

On the one hand, some employers do not adhere to the labor legislation and as a result purposefully delay collective bargaining and even not abide by the collective agreement on activities related to recruitment, promotion, transfer, benefit packages, etc... Others promote the formation of other union in the same organization (ILO convention, which is ratified by the country, allows this) so that the power and strength of an already formed union will be neutralized. Artistic Printing Press and National Alcoholic Drinks Factory are cited as cases in this regard.

On the other hand, government's current labor regulation is a bit lax than the previous one. In view of promoting and advancing investment, the law is a bit

favorable to employers. The nature of labor legislation usually varies with the ideology of the government.

One important development in this area is the bipartite agreement reached last January 2006 between CETU and Ethiopian Employers' Federation (EEF). This agreement calls for clear and open communication and peaceful resolution of industrial disputes and conflicts without affecting the interests of both parties. Involvement in such activities as strike and lockout are highly discouraged.

According to Aregawi, compared to private owned organizations the situation is less problematic in government owned organizations. In 99% of the cases, the relation supposed to be good. These organizations are mostly managed and lead by government affiliated individuals, who are well familiar with government policy in this regard and have the motive to run their organizations in line with set policies, rules and regulations. This may account for the relatively better relations. The cases of private companies are not as good as that of the governments'. The situation is rather worse.

In general, disinclination of employers towards formation and existence of unions in their firm, absence of transparent relations between management and unions, management override of existing legal bindings and agreements, unrealistic demands by unions, and lack of adequate knowledge and skills by the part of union representatives to mange industrial relations activities are tailbacks of enterprise level peaceful industrial relations.

The case of St George Brewery's labour relations is within this environment. The following sections will then analyze the labor relations situation of the company with particular emphasis on the role of the trade union in maintaining peaceful industrial relations.

4.2 Personal Characteristics of Respondents

Personal variables such as position, educational background, and other demographic characteristics of an employee are expected to influence his or her attitudes and opinions to the work environment, performance of the union, union's relations with management, and overall industrial relations situations of the organization he/she is working in. As we have discussed in the literature review, individual personality, interests, and preferences shape workers inclination towards joining a union or not. Additionally, the extent of participation and support individuals extend to the union are informed by these personal variables. For instance, various studies give evidence that white-collar employees lack concern for unions.

This analysis will not help to conclude that certain category of respondents show inclination towards union and others not. It is important to recall that the company under study has 100% union density for one or another reason to be disclosed at letter stages. To have the general picture of the personal variables of the respondents the following table is presented.

Table 1: Personal variables of respondents

No	Variables	Frequency	Percent
1	Educational Background:		
	• Below 10th Grade	6	12.5
	• 10th Grade complete	2	4.2
	• 12th Grade complete	13	27.0
	• Vocational Diploma	11	22.9
	• College Diploma	12	25.0
	• First Degree	2	4.2
	• Master or above	0	0
	○ Missing	2	4.2
	Total	48	100.0
2	Service year		
	• Less than one year	6	12.5
	• 1-5 years	10	20.8
	• 5-10 years	4	8.3
	• 10-15 years	5	10.4
	• more than 15 years	22	45.8
	○ Missing	1	2.2
	Total	48	100.0
3	Age		
	• 20-30	14	29.2
	• 31-40	12	25.0
	• 41-50	13	27.1
	• Above 50	7	14.6
	○ Missing	2	4.1
	Total	48	100.0
4	Salary Range (Birr)		
	• 400-1000	9	18.8
	• 1001-1600	14	29.2
	• 1601-2200	11	22.9
	• above 2200	2	4.2
	○ Missing	12	25.0
	Total	48	100.0
5	Sex		
	• Male	32	66.7
	• Female	14	29.2
	○ Missing	2	4.2
	Total	48	100.0

Source: Response summary of Questions No. 4,5,6,7 of Survey Questionnaire to Employees

4.3 Sound Industrial Relations

It is overt fact that peace is vital ingredient for most of the day to day activities of a human being. The same is true for organizations and their employees. Where most of the respondents emphasized the significance of peaceful relations to the organization and employees, two respondents put it in exceptionally different way. One of them said,

> *"There is nothing unresolved by peace, if there is peaceful relations between management and employees both will be beneficial out of it"*

This shows the extent of comprehension of employees of the worth of amicable employee-management relations. The other respondent focusing more on the value of peaceful relations at workplaces to personal life put his understanding of peaceful industrial relations as

> *"It means peace all the way from work to home. If there is peace in the workplace, I and my family will lead our life peacefully, it is important for all things"*

In order to assess the knowledge and attitude of employees regarding peaceful industrial relations, open and close ended questions were presented to them. The analysis of the results respective of the question is presented herewith.

What do peaceful industrial relations mean to you?

Even though the responses are expressed in different way, they can be categorized into the following groups. It is learnt that the responses of 90 % (10% missing) of the respondents widely correspond with the meaning attached to peaceful industrial relations disclosed in the literature review.

- It is working with mutual understanding, trust, devotion, collaboratively and positively for the benefit and attainment of the goals and objectives of both parties, employer and employees
- It is the backbone and essential element of an organization, guarantees continuity of the organization.
- The employees and employers stand equal with regard to their rights and obligations, employers will have good positive outlook towards employees, peaceful relations between employees and employers, it means peace all the way from work to home
- Each party fulfilling its duty and obligation and proper implementation of the rights and obligations.
- It brings increased productivity, creates good work spirit, ascertains job security, brings work motivation, enhances concern for each other, and contributes to the nation's development.

The same question was presented to the management and union officials to assess their knowledge and attitude towards the issue. According to a union

official (where all those presented during the interview agreed too), peaceful industrial relations mean

> *" ...managem ent & workers working in peace and in line with rules and regulations, maintaining the interests of each other, for the growth of the factory, and making employees beneficial of the results. If both parties, employer and employees, properly interpret and fully implement the provisions set in the labor law, collective and other terms of agreement, then there will be peaceful industrial relations. It is the relations of parties, employer and employees, working collaboratively even inside and outside of the provisions in the legislation, for the growth and prosperity of the factory, better productivity, and improvement of the life of employees. These are critical components of peaceful industrial relations."*

These ideas are duly shared by the management. In this study, Head of Administration, Ato Mesfin Legesse who is in direct charge of the human resource management of the company is interviewed. Additionally, the views of some randomly selected executive members are gathered. Analysis of their knowledge and attitude about peaceful industrial relations follows. Ato Mesfin starts with a remark that industrial relations is a big issue. He compares bad industrial relations with a state of a family that is being disturbed by problems aroused by the members of the family. He continues,

> *"It is vital for the success of an organization. Imagine a family without peace inside. The family can not function as a family. That is it. The same applies here."*

Most of the executive members who responded the survey questionnaire share the same attitude. *"It means,"* said one of the respondents, *"it means when employees perform their duties properly and adequately and, in return, when their rights and interests are observed and additionally when its job security are ensured."*

What are the benefits of Peaceful industrial relations?

Executive members, union officials and employees all believe and agree that peaceful industrial relations have widespread advantage. Summary of responses of employee respondents are presented categorically where the reports of 85 %(15% missing) of the cases incorporated.

- There will be positive response from both sides and collaborative atmosphere
- Good work environment
- Increase belongingness, work spirit, and build the moral of employees
- Brings about organizational success, and proper benefit to employees
- There will be a growth in productivity, sales and profitability and at the same time salary, bonus, promotion and other benefits to employees will increase. The organization and the employees will grow together. It also brings a nations development. If the objectives of the organization are attained, there is a chance that that employees will get more and more benefits that will lead to better living standard to employees.

In relation of manifestation of peaceful industrial relations (where 75% of the respondents responded), the elements most emphasized are existence of cooperative spirit, devotion to work, improved conditions of work and safety and health of employees, working in line with labor legislation and collective agreement and mutual understanding, the motivation to achieve still better, discipline, trust, participation in decision making, and sharing results achieved.

The executives reflected good attitude of the role of union and the importance of peaceful industrial relations. According to Ato Mesfin, production volume and sales have increased. Performance of employees is enhanced. They are continuously improving quality of product and service. He pointed out that before four years; they used to find half of the production in stock. Now, however, what ever is produced is all sold. They managed to attain their targets. This calls for peaceful industrial relations. Workers need peace. If so, they will become promoters of the company.

Ato Mesfin said, ***"What the worker demand is not expensive. If you provide them with that their productivity will increase and you will get in a multiple of what you have given. This will continue and then both of us will be beneficial."***

Union officials reported that adversative relations divert the focus of both parties away from their primary. Instead of dealing with imperatives of the market, the parties will indulge in planning, organizing, designing, and controlling ways of overcoming and winning the conflict. Absence of peaceful industrial relations, according to the interviewees, evokes psychological disturbance. It is true such a situation that does not invite proper working. They sated that peaceful industrial relations have the following advantages.

- **If there is peaceful industrial relations, employees will become market ambassadors of the company. They promote the product in the market, speak the good side of the product and factory in the market, and support the effort of building good reputation of the product, increasing sales. This goodwill creation cannot be valued in terms of money.**
- **Because we are near to the property of the factory, we are safe guarder s of the property of the factory. When some damage occurs to the property, we immediately report to the concerned unit and even protect so that properties are not exposed to such risk. In general, we protect the factory from things that subject it to unnecessary costs and wastages. We see whether happenings are beneficial of the factory or not. We will have the feelings and belongingness that the factory is ours.**
- **If the IR is peaceful, we work collaboratively, we think of better productivity and profitability will increase. Employees too will be beneficial of this, because we cannot ask benefits without such productivity enhancement.**

The other question presented to employees was whether it is possible to establish and maintain peaceful industrial relation or not. The response was "Yes always", in 77.1% of the cases. The table below reflects complete result of this variable.

Table 2: Is it possible to establish or maintain peaceful industrial relations?

Responses	Frequency	Percent
Yes always	37	77.1
Yes sometimes	8	16.7
Not at all	2	4.2
Missing[102]	1	2.1
Total	48	100.0

Source: **Responses to Question No. 17 of survey questionnaire to Employees**

Employees feel that peaceful industrial relations is a function of adherence to consultative, collaborative, mutual trust and confidence, mutual understanding strategies than adversative. According to this segment of the respondents which account 96%, conflicts and disputes should be resolved through these positive means. As the survey result indicates, 87.5% of the respondents agree St. George Brewery has peaceful industrial relations.

Union officials explain the existence of peaceful industrial relations in the company. The following is an account according to one the respondent to which all nodded.

> ***"I have been in this factory for over 23 years. I don't remember a conflict that has caused disruption to the manufacturing process of the factory except that a 3days stoppage during the war time. There is no record of disputes and conflict which has caused damage to the factory and went out of our hand. In the past five years, there was no dispute and conflict that is presented to external parties for resolution. Even tough there were disputes; we tried to contain and solve them internally through consultation and mutual understanding. We followed a strategy of collaboration, with a "win-win" conclusion. There were conflicts. Normal to every employer, management wants to maximize its profit. Employees want to obtain appropriate share of the results obtained. This exists always. Every three month we have consultative meeting with management. In this meeting, we present all our demands and problems without any hesitation and fear. The issues emanate not only from the union and management but also from individual employees. Every employee forwards to the union what ever he/she thinks need the attention of the union and management. Rights and interest related demands and problems presented by individual employees are first discussed and examined by the union and they are presented to management during the consultative meeting only if they are found to be legitimate and beckon response from the management. Not only this, if living expense is increasing that also is presented to the management. The management takes it as major subject and tries to address it. As a result of this, every four months study is conducted to examine the rate of price change on major consumption items such as "teff", fuel, Beer, Exchange rate, Electricity, Water. If observable changes happened, a 3% salary increment is given to employees. This is not accustomed elsewhere. As result, no major conflicts that get us into continued dispute has occurred in the past five years. Every time we encounter violations, we first contact the management and inform and advise them that both the legislation and collective agreement do not favor their behaviors. In many cases, they accept our advice and act accordingly. As a result, we do not engage in adverse relations. We have very strong communication and collaboration."***

The executives confirming the claims of union officials, they explain that the management takes cautionary measures to curve problems before they root all through and cause bigger damages. They jointly handle matters cooperatively and collaboratively. Besides the strategies mentioned by the union officials, the

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[102] "Missing" here means number of respondents who did not respond that particular variable.

company promotes joint socialization activities that enhance smooth relations and solidarity between and among employees and management.

As evidence of their sound relations, Ato Mesfin cites that collective bargaining took them only two days. It is done in good faith and all prenegotiation works were well prepared by both parties in a matured way and in accordance with the realities of the company. They absorb the process as a learning ground. Management better understands the needs and interests of its employees. The employees, in turn, take clear picture of the position of the company. Management goes in advance of employees in addressing their complaints and matters such as safety and health issues, salary adjustment, medical benefits etc...

As Ato Mesfin stated that during quarterly consultative meeting they discuss not only problems but also they share ideas as to how to enhance productivity, future direction of the company and many other agendas that deem essential for the growth of the company and employees. According to Ato Mesfin, ***"union officials are seen as mirrors that image the problems and desires of employees at all levels. The company wants to view them as consultants on matters of human resource management as they are near to physiological, social, and other needs and wants of employees that in one way or the other affects their work motivation, efficiency, effectiveness, and productivity. They serve the organization and employees in so many ways."***

Even though union officials do not participate in management meetings and decisions directly, their constructive ideas during consultative meetings are considered and included in the decisions. One thing to be noted is that the decisions of recruitment, promotion, and transfers are the prerogatives of management. Union officials have minor complaint on this area which we are going to see in the next section.

As one of the union officials disclosed, even the president of BGI, during his visits to the factory has a habit of discussing with employees and employee officials and encouraging them to go further in their effort in advancing the goals of the company and employees.

According to 89.6% of the cases, the management has positive attitude towards unionization. Parallel to this, 83.3% of the respondents believe that management tries to avail better salary, working conditions, and profit sharing to employees as well as maintain peaceful industrial relations. Only 12.5% stand contrary to this consensus of the majority on the grounds that management is negligent of the concerns of employees, union is not strong enough to secure better benefits to employees, and finally the labor legislation is more of in favor of the employer. The rate of missing for this variable is 4.2%.

With regard to the nature of St. George Brewery's union-management relation the survey brought the following results.

Table 3: How do you evaluate the relations between union and management?

Response	Frequency	Percent
very good	20	41.7
Good	20	41.7
cannot say	2	4.2
Weak	1	2.1
very weak	2	4.2
Missing	3	6.3
Total	48	100.0

Source: Responses to question No. 38 of survey questionnaire to employees

From the table one can judge that 83.4% of the respondents believe that there is smooth relationship between the two parties. Only 6.3% of the respondents classify the relationship as weak. They pointed out that the problem with the labor law, lack of negotiation and bargaining skill in the part of the union officials and still the consultative strategy adopted by the union contributed to this weak relationship.

Responding to the question whether management behaves in the manner of discouraging unionization, the survey result indicates that 81.3% of the cases reported "No."

Responding to the question 'what benefits are actually materialized because of the existence of peaceful industrial relations in the company', respondents disclosed that the production volume has increased significantly, the factory has just finished and put into function internal major expansion and modernization undertaking, profitability is increasing, and employees are getting more and more benefit. The salary of employees has increased, medical benefits including medication abroad are (as deemed necessary) and 24-hours life insurance introduced, a system of periodic salary adjustment (they call it "Zenbil"[103] system) based on price fluctuation of basic consumption items such as "teff", fuel, etc...is being practiced. The company assists employees in forming their own private share company. The share company currently has a capital of Birr 5,000,000. The union provides financial assistance to employees each holiday and when they retire. Employees also speak of high level of job security in the organization. This is due to the fact that the factory keeps on expanding and increased productivity, sales volume and profitability. As a result instead of lay offs, additional employments are sought.

Respondents were subjected to choose from alternative strategies to assess the strategies usually opted by the union. The result is as follows.

[103] The study and adjustment is made every four months. If price of those commodities which are included in the collective agreement increases, then 3% salary increase is applied to every employee to that of existing salary.

Table 4: In cases of conflict and dispute what strategies are used by the union to come to settlement

Response	Frequency	Percent
Collaborate and consult with management in spirit of trust and openness	42	87.5
Reporting the difference directly to upper body such as board	0	0
Calling employees for strike	1	2.1
Presenting the case to government assigned conciliator, Labor relations Board, or Labor court stage by stage until resolution is obtained	0	0
Missing	5	10.4
Total	48	100.0

Source: Responses to question No. 37 of survey questionnaire to employees

As depicted in the result, respondents (87.5%) perceive that peaceful conflict resolution mechanisms are employed by the union.

As related in the literature review of this study, the major actors in industrial relations are employers, unions (representing employees) and the government. They are responsible for paving the way necessary for peaceful industrial relations. The survey result confirms that almost 87.6% of the employee respondents attach the responsibility with these parties. Union officials accepting this truth, they put employees and management as key players. They explicitly stated that,

> *"Government sets general rules; it does not see matters at enterprise level explicitly and specifically. Any one cannot escape from these general regulations. The labor law does not see the specific issues at enterprise level. The responsibility of the government is setting the general framework and assist employers and unions settle conflicts and disputes that arise due to differing interpretation of or deviation from the law. This doesn't indicate peaceful IR. The relationship is peaceful when the conflicts and disputes are resolved internally through consultation, collaboration, and mutual understanding without the need for external assistance. Once the issue is forwarded to external mediation, it can not be said peaceful. To call it peaceful, there should be resolution before the problem is aggravated in the first place. The government's role is general, applicable to all conditions. It does not differ from organization to organization. For instance, proclamation # 377/2003 is applicable to all private and public enterprises and NGOs. When it comes to St. George, it is unique to itself. The relationship is dependent much on its management and employees."*

In view of international trends, discussed in the literature review part, flexibility measures such task flexibility, working time flexibility, and contractual flexibility are becoming challenges to traditional approaches of industrial relations. These measures impact the collectivism approach promoted by unions. The union officials were requested to share their view in this regard. They explained that the company is modernizing itself. New machineries with technologies are being introduced. The recruitment procedures are changing. Compelled by the intense competition, new ways of doing things are in introduction continuously. The union officials feel that flexibility measures are well acceptable as far as they are contributing to the growth of the company

and then employees. Continuing explaining their perceptions and feeling of such measures, they said,

> ***"The company wants to be flexible. We are not against flexibility. We do not hinder that as far as it is for the benefits of the company. We are also flexible. There are conditions where we say according to the book. We, for instance, say if there is an individual who fulfils all the criteria for a vacant position, he/she has to be promoted instead of bringing new staff from outside. Does this affect flexibility? We do not say according to the book in a manner that jeopardizes the company. We want the business to be a success, profitable, deliver a winning product to the market. This is because securing better and better benefits is subject to economic success of the organization. We can not attain our objectives before the objectives of the company are attained.***

> ***"When you come to the real world, however, flexibility may mean favoring your relative in recruitment, providing higher payment to one who has some attachment to a senior management member, promoting an employees not because of his/her excellence in performance, knowledge and skills but because he/she is subservient to management. Why is flexibility sought? Is it for the sake of promoting and advancing the company's advantage? That is what bothers us most. We will be flexible for the general conditions. For instance, we start our job 7:30 a.m. in the morning. The management demanded us that some sales people have to start their job earlier than the normal work commencement time. We agreed because it enhances sales. The trade union is not rigid. Flexibility for its genuine purpose is not opposed by the union. For the genuine flexibility requirements trade union can not stand against. It can be flexible according to the situation."***

In summary, the management, the union, and the employees have good knowledge and positive attitude of peaceful industrial relations and the benefits associated with it. All the three work in spirit of establishing and maintaining peaceful relations among themselves. They all believe that peaceful relations is basically found in adhering to the basic rights and obligation of employees and employers envisaged in the labor law, collective and other day to day agreement they reach to.

4.4 Role of labor union

4.4.1 Roles of St. George Brewery Labor Union

Unions vary in structure, strategy, and system. Whatever form assumed, they originally emanated with the basic notion of freeing the general working class from different ways of exploitations employers inflict on them. Employees want job security, improved living standard, protection from unilateral decisions of management, socialization among themselves, and safe and healthy workplace. Unions in general are responsible for negotiating better terms and conditions of employments to their constituents.

The basic objective of unions is to ascertain the rights and interests of employees. For instance, the objective of St. George Brewery Trade Union's is stated as

"The objective of the union is to strive to ascertaining union members' rights, interests, and security and then improving their economic and social conditions and advancing the culture of productivity."[104]

As stated clearly, the objective acknowledges and works for improved productivity as better terms and conditions of employment are implanted in it.

Perceived problems on areas such as work hours, pay systems, job security, safety and health, and supervision are among the factors that give rise to the formation and joining of unions. So it is natural that members to expect unions to succeed in bringing better terms and conditions on these areas.

The following are listed as the roles and responsibilities of St. George Brewery Trade Union.[105]

- To do all necessary for employees to unionize
- Represent employees at all levels
- Ensure the rights and interests of employees
- Insist on the maintenance of work environment safety and employee health and increase awareness and acquaintance of employees to rules and procedures in such regard.
- Attempt to ensure the participation of employees in the design of organizational plans and administrative policies.
- Based on the right provided in the labor law, bargain, enter into contract and administer collective agreement with the organization by representing employees.
- Facilitate the conditions so that employees fully get workplace social services.
- Provide appropriate support for the establishment of employees Saving and Credit Associations, strengthening and enabling them provide full services to employees.
- Facilitate the conditions for the advancement of employees education
- Support employees to keep their health and physical strength by participating in different sporting activities
- Ensure proper collection of members fee and settlement of national union due on time
- Keep full statistical record of members.

Trade union members' General Assembly, Union Council, Executive Committee, and Audit commission are the structures used by the union to execute its roles and responsibilities.

4.4.2 Roles of the Union in practice

Collective bargaining and administration of collective agreement are the main tools available to unions to carry out their main duties of ascertaining the rights and interests of workers. Through these processes, unions perform the duties levied upon them. First and for most members, union officials, and even

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[104] Memorandum Of Association of St. George Brewery Trade Union
[105] Ibid

management must have clear understanding of the objectives of unions. The point is not whether they know the objective or not. Rather it is to what extent it is internalized, accepted, and whether the demands and practices of workers, union and management are in line with and in the boundary of the objectives. That is one source of peaceful industrial relations. Respondents that represent both the management and the union officials strongly stressed that peaceful industrial relations will be realized when the parties observe each others rights and obligations. Both double underlined this statement.

What do the empirical evidences discloses about the union's experience in this regard? What do unions feel of their objective? It is to give "voice power", union officials confirmed. They added,

> **"... each employee can not voice its rights and interests by him/her self. To ascertain the collective rights and interests of employees, to make employees fulfill its obligations as per the legislation and collective agreement"**

Asked about the objective of their union, respondents wrote down quite matching statements. Almost 100% of the cases (excluding those of missing) substantiate what is in the book. Some even expressed objectives of union should additionally include objectives of working for the growth of the company, promoting positive relationships between management and employees, increasing employees awareness of their rights and obligations, and advancing employee solidarity.

In view of understanding what actually motivated employees to join unions (and to see to what extent the reasons are in the boundary of the objectives), the survey presented an open-ended question, "what has motivated you to become member of the union?" The results range as follows.

- To ascertain employees well being, rights and interest (58.4%)
- To bring solutions to organizational problems in consultation with management
- In cases of injustice by management, it stands beside and supports me
- Collectivism has more power than individualism
- The share the benefits secured by the efforts of union
- The government's labor law gives me the right to unionize

There is a strong relation between the drives of joining the union and the objective for which the unions primarily stand for. The practices of the union against how members want it to behave can also be used as other measure of analyzing this relation. Even though 22.9% claim to be indifferent, 56.3% reported that the practice of the union matches with the interests and needs of employees. The table below provides full picture of this analysis.

Table 5: The practice of LU matches with the interests and needs of employees

Response	Frequency	Percent
Strongly agree	14	29.2
Agree	13	27.1
cannot say	11	22.9
Disagree	5	10.4
Strongly disagree	2	4.2
Missing	3	6.3
	48	100.0

Source: Response to question No.31 of survey questionnaire to employees

Employees were subjected to respond the same question in a slightly different way. Accordingly, 62.5% of the respondents reaffirmed that the union is performing the responsibilities levied up on it properly. What is important to note here is that 25%, 2.1%, and again 2.1% reported "no", "to some extent", and "I don't Know" respectively.

Respondents reported that the union has served its purpose. According to 68.8% of the respondents, union's establishment objective and practices are matching. 27.1% contradict this consensus. 64.8% of respondents again agree with the idea that union officials are well cognizant of their roles. Asked to respond whether they have been benefited from being a member of the union, the response of 83.3% of the cases are affirmative. They have mentioned wide range of benefits including salary increment, bonus, periodic salary adjustment based on price escalation on some items, and reassurance of violated rights. The survey comes out with the result that the union is working strongly in ascertaining the rights and interests of employees. The table below depicts the frequency and proportion of the responses to measure the strength of the union where 68.8% responded "strong".

Table 6: The strength of the union in ascertaining the rights and interests of members

Response	Frequency	Percent
Very strong	15	31.3
Strong	18	37.5
cannot say	6	12.5
Weak	5	10.4
Very Weak	2	4.2
Missing	2	4.2
Total	48	100.0

Source: Responses to question No. 28 of survey questionnaire to employees

In many of the questions, there are some proportions of the respondents who have negative view of the practices of the union. There is merit in mentioning the proportion of respondents and areas where they see a weak link.

- 27.1% said there is no match between the objectives of union and its practice.

- 27.1% said that union officials are not well aware of their roles.
- 12.5 said "can not say", 10.4% said "weak, and 4.2% said "Very weak" with regard to the strength of the union in ensuring the rights and interests of employees.
- 22.9% said "can not say", 10.4% "disagree", and 4.2% "strongly disagree" with regard to the match between the union practice and the needs and wants of employees.
- 25% reported that the union is not properly performing the responsibilities it is levied with.
- 12.5% said "strongly agree", 16.7% said "Agree", 31.3% said "Can not say" in relation to a question that union officials are usually seen promoting their personal needs and interests than the entire employees.
- 50% responded "yes" to the question that there is time when union demands more than what the management can actually offer. (Note: this may be considered unrealistic demand or tactic of bargaining depending on how far the union persisted in negotiating those demands and affected the process of bargaining.)

In cases of choosing the negative extremes with regard to the practical roles of the union, respondents were asked to give explanation. When these reasons are condensed, one can get the following picture.

- Some rights which should have been secured are not obtained or remain on suspense
- Union demands are not adequately responded
- Labor law is more favorable to employer
- Beaurocratic practices of the union
- Union lack the knowledge, skills, and strength to properly manage industrial relations activities and to negotiate in equal footing with management
- Union officials give priority for their personal interests and rights
- Union is not free of management influence
- Union is not needed by employees

While responding to the question of weakness of the union, 56.3% reported that the union has some sort of weakness. The above list is a reflection of these weaknesses. The remaining 43.7% did not respond to this question. Even though the number of cases who identified each of these limitations is not significant by themselves, it however commands attention.

Asked to indicate their attitude and to evaluate the actual practice with regard to the strategies the union should utilize in its relations with the management and management of conflicts and disputes, majority of the respondents favored peaceful means. While 93.7% feel that the union should follow consultative and collaborative strategies and avoid adversative and controversial ones, 85.4% (where there is 10.4% missing) evaluated the strategies practically used by the

union as consultative and agreeable with a spirit of cooperation, trust and openness. The cross tabulation of the two variables (strategies employed by the union and the degree of strength of union-management relations), give evidence that out of those respondents who reported that the union is deploying consultative and collaborative strategies, 92.9% reported that the union has good relationship with the management.

Each respondent was presented with a list of roles of the union to arrange them in order of importance according to his/her own preference. It appears that job security is the one that most concerns employees taking the rankings of 36 of the respondents who fully done the ranking. Unparalleled by others, job security was graded as the first preference of respondents 19 times and second 9 times. For comparison purpose, the level of grade of those assumed roles in the list are presented here below.

Table 7: Ranking of roles of unions according to respondent's preference

No.	Roles of unions	Rank/ Number of times		
		1st	2nd	3rd
1	Protect workers against unfair practice	5	8	9
2	Improve job Security	19	9	1
3	Improve compensations and benefits	1	2	4
4	Improve working conditions	2	5	6
5	Improve employees' participation in decision-making	1	-	2
6	Investigating and reporting on misconducts and weakness of management that they think are harmful to the overall organizational performance and image.	1	-	5
7	Strengthen solidarity among employees	7	7	3
8	Improve the economic conditions of employees	-	-	3
9	Provide council and advice to employees on ways of handling matters related to breaches of their right and interests by management	-	4	3
10	Participate in different committees of the organization such as recruitment, promotion, transfer, procurement and contribute towards ensuring these activities are performed in the best interest of the organization and employees.	-	-	-

Source: Responses to question No. 21 of survey questionnaire to employees

Even though much better conclusion can be reached with wider areas and much bigger sample size than this case study, this is an indication of where unions shall focus. Furthermore, as we can see from the table strengthening employees' solidarity is chosen as first priority 7 times. Given the power of union lies in the solidarity of their members, this has important significance to unions.

Generally speaking, we have learnt that the roles of union are well shared by members, the majority believes that the union is performing as required to perform, and their objectives and practice are matching. Despite some

weaknesses, the union is acclaimed to be strong. Asked to explain how the union recruits new members, they explained that

> ***'Employees demand to be a union member. New employees request to be member even before they finish their probation period. Employees support the idea of unionization. We provide financial support to employees. There may be some who join us seeking to benefit out of this. It has benefited us in expanding our membership and builds our strength. It must be clear, however, that our basic objective is to ensure the rights and interests of employees. Our stand is that once employees become aware of the existence of a union through their colleagues, they have to request registration developing trust and confidence in the union. Now, we have a 100% union density. All those who can be union member, according to the labor legislation, already became members of the union."***

Union officials claim that generally speaking the union has done what ever is under its capacity. They list the following as the major accomplishments of the union.

- Established very smooth relations with the management. The management and union officials instituted unrestricted communication and consultation mechanisms on matter of employees, productivity, and future direction of the company. The parties have quarterly consultative meeting where matters of interpretation of provisions of the collective agreement, organizational policies, rules and procedures related to salary, fringe benefits and work conditions, and future direction of the company are discussed and opinions shared. It is a mutual forum where the voice of management and the union as representative of employees are aired.

- Bargained a comparatively better collective agreement nationwide. The inclusion of "Zenbil" System and solidarity fund is sighted as example. This is in addition to better terms and conditions of employment in terms of payment, work hours, workplace safety and health. There is also a practice of annual increment and bonus based on performance.

- The union has close relations with employees. It councils them in cases of grievances. According to the collective agreement, if a worker has complaints on any decisions of the management and wants it to be reviewed, he/she has to present the matter in writing first to the union. The union analyses the case and if found legitimate in light of the provisions of collective agreement, labor proclamation, and other such consensuses then the matter is forwarded to management. It is the union that pursues the case until appropriate resolution is secured. If the matter is found otherwise, the union advises and convinces the employee that presenting the matter to the management will not bring any result based upon rules and regulations.

- Found a share company in the name of the union which has currently a capital of about 5million Birr. As part of the share company, the union runs various income generating undertakings. Workers also have established Saving and Credit Association. The union's business

orientation is so high that it has the intention of expanding its business lines if it obtains some financing means. One area they have mentioned is acquiring government owned enterprises floated in auction with some form of government support. They claim that if such chances are given to unions with strong financial base, they can contribute significantly to the country's effort of reducing unemployment. "**One day**" said a union official, "**one day we will be an employer.**"

- The union managed availing financial support to members every holiday and when they are pensioned and suspended from work for some reason.

The union claims that it has contributed greatly in improving the economic and social conditions of employees and securing better terms and conditions of employment unparalleled by the history of the union.

One major area the union has not dealt with well, according to the union officials, is recruitment. The labor legislation and collective agreement awards the management the right to recruit, appoint, promote, transfer, demote, suspend and dismiss workers. The implementation procedures, however, states that the management will opt for external recruiting only in the absence of a staff member(s) meeting the educational, experience, and other criteria related to vacant position set by the management. The union officials complain these procedures are not adhered to the satisfaction of the union. They commented that they lack fairness and employees are not given priority. Employees, too, complained of the practice. The union always presents and discusses the issue with management. But, it is not satisfied of the achievements it has on the matter.

Generally, the union officials rated their performance, on average, as 85% success. In view of the changes brought to the majority of workers, the union is highly satisfied. In terms of addressing the specific needs and wants of each member, they claim that it is difficult to attain such level of success.

Employees join and support unions only when they think that it is instrumental in curving their dissatisfaction with employers. They will have positive attitude mainly if the union is managed to secure better terms and condition of employment. If the union continuously attempts and succeeds to improve the economic and social conditions of employees, then their attachment with it will be strengthened. One measure of employee's attitude towards the union presented to respondents was "It could have been difficult to ascertain the rights and interests of employees without the existence of union." It was in a 1-to-5 rating (Likert scale). According to this measure, 79.2% of the respondents agree with the statement. Only 6.3% negates it.

As a substitution strategy, there is a trend that traditional industrial relations are being replaced by human resource management approaches. This approach emphasizes individualism and the direct relationship between management

and its employees. Negotiations with labor union, as representatives of employees, and other such industrial relations activities are to be avoided, removed, or at least minimized. Not because of the existence of union, but compelled by the demands of contemporary business, organizations will become people oriented. Their success is hinged in the skills and performance of the workforce. Organizations therefore place emphasis on greater involvement of employees in matters affecting their work and jobs, through consultation, information sharing, and two-way communication procedures. As discussed in the literature review section, the legitimacy of unions is being challenged. How does this relate to St. George Brewery Trade Union?

The perspective of respondents is that the union will have significance permanently. The sun is not set for St. George Brewery Trade Union. Surprisingly enough, 79.2% of employees reported that they will continue with the membership even if management consistently keeps on improving the industrial relations and then economic and social conditions of employees by its own. The following were provided as reasons for such inclination.

- The very existence of the union has significance
- Union contributes a lot to employee solidarity
- It is impossible to rest assured that the management attitude towards employees remains constant. Because the environment keeps on changing, management's outlook may change. A time will come when it will turn its back on employees. If the union is not there at that time, employees will suffer.
- Union is important in maintaining peaceful industrial relations
- Union is better cognizant of the different types of interests and rights an organization has to avail to employees

The management even considers the union as consultant on matters of employee relations.

The union has good financial base, comparatively good leadership, structure, and system to see its objectives materialized. According to 81.3% of the respondents, the union has good organizational structure enabling it carries the responsibilities levied upon it.

All these variables support the union to stay without the decline in membership, obtaining the support it needs from members, enjoying the positive attitude of management towards its roles and practices, and expanding its business orientation. These evidences that the legitimacy of the union will not be questioned at least in the near future.

4.5 Union's contribution towards better Industrial Relations

Peaceful workplace relations are vital for meeting the interests of the employers, employees and even government. Owners want to maximize their wealth. The benefits of managers depend on the profitability, growth and success of the organization. Employees naturally demand better terms and condition of employments in terms of pay, work hour, dignity, safety and health and other work conditions as the organization becomes more profitable and successful. But all of these determining factors are contingent up on management and leadership capacity of management and the productivity and efficiency of workers. In order to attain their respective objectives, the existence of peaceful relations among the parties is vital. Peaceful industrial relations in turn is the interplay of many internal and external factors.

Unions as representative of employees and central to enterprise level industrial relations play critical role in establishing and maintaining peaceful industrial relations. The attitudes, strategies, and practices of employees (represented by union) influence the nature of industrial relations in an organization.

The primary focus of this case study is to see the relationships between the role of St. George Brewery Trade union and the state of industrial relations of the company. To arrive at a conclusion in this regard, one has to note the following.

1. Management, union officials and the majority respondents of the survey questionnaire confirmed that there is peaceful industrial relations in the company.

2. Conflicts and disputes are resolved internally through strategies of collaboration and consultation. There is no record of seeking external assistance by either of the parties in the past five years at least.

3. The relations between management and union are basically founded on the rights and obligations of the parties. Both parties accept and live up to on what they agree. Asked to give explanations on this respect, union officials remarked that both parties have to demonstrate maturity and avoid emotion driven behaviors. Further elaborating this point, the union officials said,

> ***"Both parties should not be emotional, have to work in line with the rules and regulations, knowing their respective rights and limits. Both parties have to exercise what the law supports them. We clearly set and demand what the law provides us. If we have interest and demand not covered by and beyond the provisions in the legislation and agreement, we rather beg instead of ascertaining them as our rights. These additional requests may emanate from the experience of other unions. But we do not put them as obligation. We do not put them as rights rather request the management to consider them. Usually the management responds positively. There are also cases, when management presents demands outside the law and collective agreement. As far as the demands have mutual benefits, we accommodate each others additional demands fulfilling the necessary***

conditions set by either of us. Emotion has to be suppressed. Decisions have to be based on analysis, facts and mutual understanding. Knowing the limit is very important."

4. Management's attitude towards union and employees is positive. 89.6% of the respondents believe that management has positive attitude towards unionized movement. 83.3% of them believe that management exerts the maximum possible to improve employees' salary, working conditions, profit sharing and maintenance of better industrial relations. 87.5% of these respondents confirm that the union-management relations is good. Furthermore, 81.3% of the respondents said that management does not attempt to avoid union. Management feels good about union and employee. It is also true the other way round.

5. Employees' attitude towards management is positive. Employees were presented with a question to check whether they believe that management performs the maximum possible under its capacity to provide better salary and working conditions and maintenance of better industrial relations. 83.3% of the respondents reported positive.

6. Union officials' attitude towards productivity, efficiency, profitability, and job is very strong. The same is true with employees. This outlook is reflected in all the documents of the union. The objective motivates the culture of productivity. They strongly admit that these variables are the pillars of all their rights and benefits. Increase in productivity and profitability have direct impact on type and amount of benefits to be secured.

"When employees unnecessary voice complaints of work overload, we are not easily agitated, most of the time we turn our back. We strictly advise them that we work and then demand our rights. Hard work is the way out. No compromise on the job. We strongly advise every one to perform as instructed. We want even to do a lot and have greater output. This is because many of the benefits are related to output level. These days the production level is beyond control. Sales volume also is correspondingly increasing. We feel proud when we see our products door to door, every bar. We will be psychologically moved."

According to employees' responses, St. George Brewery Trade union is instrumental in maintaining peaceful industrial relations. They explained that it establishes close relationship between management and employees, and encourages positive work attitude and devotion. Having trust and confidence on the union that it will be guardian of their rights and interests, employees will focus on their day-to-day duty. Furthermore, the union increases knowledge and awareness of employees on their rights and obligation. The union in all its relations with members either individually or collectively instills the importance of increasing productivity. It encourages workers to keep on focusing and enhancing their performances, work hard and duly follow instructions related to their jobs. The union stresses that increased benefits to employees are a function of increased productivity, sales and profitability and in general the growth of the company.

Summary: The survey showed that the case organization maintained relatively sound industrial relations. The knowledge, positive attitudes and practices of the management, the union officials and employees considerably contributed to such an atmosphere. It is the understanding of all that peaceful industrial relations is vital for attaining their respective objectives. All parties bestow support to the idea that the company has managed to maintain peaceful industrial relations. The reports of 87.5% of respondents indicate that the company set up peaceful industrial relations. Union-management relations follow consultative and collaborative approach. This approach was supported by 93.7% of the respondents and their application in practice was witnessed by the management and union officials. It can be inferred from the opinions of the respondents that there are additional factors shaped the current state of the company's industrial relations. They are spelled out as follows.

1. Both parties believe that rights and obligations based relations is the basis of sound industrial relations

2. The approach to industrial relations is of **pluralistic** where the union is accepted as a legitimate representative of employee interests, and stability in industrial relations perceived as the product of concessions and compromises between management and union.

3. All demands beyond the basic rights and obligations are enforced only with mutual understanding and consensus

4. The experience and education of the union officials are relatively better compared to what we are familiar with. One of the union officials is an executive member. Employees repeatedly elected him because of his inclination towards employees.

5. The union's financial base is very strong. It periodically provides financial assistance to employees and executive members.

6. Union and employees firmly believe that increased productivity, sales, profitability, and growth of the company are the sole determinants of increasingly better terms and conditions of employment

7. The union has business orientation. It still desires to expand its business ventures. Currently, the union has established a share company where all employees including executives are shareholders. This helped to enlarge ranges of areas of common interests of the workers and the executives.

It is learned that the majority of employees have trust and confidence in the union. It has become instrumental in improving and economic and social life of the employees. The majority of the respondents reported that the union is strong in ascertaining the rights and interests of employees. At the same time they confirmed that it enabled them to attain wide variety of benefits. The

union by way of contributing towards the efforts of shaping employees' perceptions, attitudes, and behavior towards their rights and obligations, motivating and calling for employees devotion towards their job, raising employees awareness that increased benefits are a function of increased productivity and profitability, and interacting with management in a manner of consultation and collaboration contributes significantly to maintenance of peaceful industrial relations.

With regard to the union's strength and that of the nature of union-management relations, some respondents, some times more than a quarter of the total, reflected quite opposite view than majority. Some stated that the union is not cognizant of its roles. Others reported that there is a mismatch between the responsibilities the union is levied with and what actually is practiced. Still others account that the union lacks the knowledge and skills to properly negotiate with management, give priority to their personal interests, and union is influenced by management.

Chapter 5: Conclusions and Recommendations

5.1 Conclusions

The human side of a firm is a source of its competitive advantage. The generic building blocks of competitive advantage- efficiency, quality, customer responsiveness, and innovation- all depend on the human capital. The management and leadership philosophies and human resource management policies and practices have direct influence on a firm's ability to outperform its competitors.

Sound industrial relations systems have witnessed to enhance employee productivity and customer orientation. In Ethiopian context, where government owned enterprises have acclaimed to demonstrate relatively better industrials relations, the same situation is not found in private sectors. Some empirical evidences show that the situation of industrial relations situation of the private sector is surrounded with some problems. Employers attempt to remain union free at any means possible. Unionization campaign organizers are dismissed, transferred to other locations, bribed to drop their case, overloaded with work so that they will not have time for unionization activities, etc... St. George Brewery, the case organization in the study, is a private sector and is found in such industrial relations environment of the country.

The analysis of the data and information gathered relating to the case organization industrial relations situation revealed that generally speaking, the management, the union, and employees have good attitude to each other. All believe that abiding to the rights and obligations and working in a manner of consultation, cooperation and collaboration are sources of sound industrial relations.

Union officials and management believe that to be far from emotion and handle matters in a matured way help to establish good relations. Both believe that smooth relation among these parties is essential to attain each others objectives. The existence and roles of the unions are well acknowledged by the management and employees. Management goes further in this regard and desires the company to be considered as exemplary organization for establishing peaceful industrial relations. They intend to consider the union as consultant on matters of human resource management. According to management officials view the demand of workers is not expensive. They explained that if the organization provides employees with their demands, the company may result with multifold returns.

The company has no records, at least in the past five years, conflicts and disputes that are forwarded to external parties for resolution. There were no strike, lock out, arbitration or other process occurred. Conflicts and disputes

arise but resolved internally through consultation. Both parties are satisfied of this trend.

The union strongly believes that better terms and conditions of employment are a function of peaceful industrial relations. This environment enables workers to get the support they need from their supervisors, Management creates enabling environment to the workers so that they focus on their duty. That, in turn, enhances employee productivity. Employees become ambassador of the organization and represent it everywhere they go. For instance, the recreation club of the union and vehicles owned by it are fully decorated with promotional slogans and logo of the company. As a part of the public and consumer, workers use words of mouth advertising to influence the buying behavior of consumers. Union officials have good knowledge on the meaning, significance and manifestation of peaceful industrial relations. Their attitude to management is positive and their practices are believed to parallel the roles and responsibilities the union is levied with. The union accepts and works for flexibility measures as far as such measures are for the purpose of advancing the growth of the company.

The union is instrumental in maintaining peaceful industrial relations. It serves as intermediary between management and employees. It tries to establish close relations between the parties, encourages positive attitude and devotion towards work, and increase knowledge and awareness of employees on their rights and obligations. Employees also expressed that having trust and confidence on the union, they focus on their duty and performance. Union official are more close to workers than management. Once the workers build trust in their union, they freely express their feelings to the union than management. Hence, the union officials have more chance to listen to the heart beats of employees. By timely presenting, discussing, and finding solutions with management on grievances aired around, problems are then resolved before they aggravate and create instability. St. George Brewery labor union officials believe in a relation that is based on consultation, cooperation and collaboration.

It is learned that, like union officials, employees' knowledge on the meaning, significance and manifestation of peaceful industrial relations is close enough to what is written in literature based on wide range of studies. Their attitude to the union and the management is so positive that the majority of respondents (i.e. 83.3%) witness that management exerts the maximum possible effort to improve the economic and working conditions of workers. The analysis disclosed that 93.8% of the employee respondents believe that it is possible to maintain peaceful industrial relations. The existence of peaceful industrial relations in the company was confirmed by 83.4% of the respondents. According to 89.6% of the respondents, management has positive attitude to unionization.

Union members have to have trust and confidence in their union so that they support and build its power and finance base. It is when workers consider the union as guardian of their rights and interests; that they wholly focus on their job. The union is working strongly according to 68.8% of the respondents. The union is cognizant of its roles and responsibilities in view of the majority (i.e. 64.6%) of respondents. Furthermore, where 62.5% of the respondents believe that the union is properly performing its responsibilities, 68.8% and 56.3% of the respondents feel that there is a match between objectives and practices, on the one hand, and the practices and interests and need of the majority of workers, on the other, respectively.

Respondents confirm that the union has enabled them to secure an increasingly better terms and conditions of employment. Consolidating and averaging the results of various measures of the union performances, 71.9% of the respondents reported that the existence of the union has benefited them. Annual salary increments, bonus, holiday based company product bonus, salary adjustment depending on price fluctuation of some consumption items every four months, good medical benefits (solidarity fund), efficient grievances handling procedures, and better workplace safety and health of employees are among the benefits enlisted by employees.

The union has also established strong financial base by opening different business ventures with the support of the management. In this line, too, workers are economically beneficial. They are financially supported every holiday, at the time of pensioning, and when they are suspended from work due to some reasons. The union plan to expand its business with the intention of availing more financial support to the members.

As the survey result demonstrates a certain proportion of the respondents reported some dissatisfaction with the work of the union. They think that employees' demands are not well properly addressed and the management influences the union. Additionally, some doubts on the transparency of recruitment, promotion, and performance evaluation were raised. Still others argued that the level of communications employees have with management is not sufficient.

In general, St. George Brewery retains peaceful industrial relations. The practice of the union contributed significantly for the establishment of such an environment. The company's production volume, sales and profitability are increasing. Very recently it has inaugurated a new highly modernized production plant increasing the production capacity of the factory. Three or four years ago half of the production stocked. Now, however what is produced is sold. They claim that their products are most preferred in the market.

5.2 *Recommendation*

As expounded now and then, there is better industrial relations situation in St. George Brewery. All parties are beneficial of the system. It is thought that companies with profit orientation may learn from this experience. The following points are presented as recommendation to keep the system working and filling some of the gaps observed.

1. **Ongoing career planning and development**, it was observed that employees and the union have complaints regarding employee recruitment and promotion. On the one hand, capable employees must be available to fill new positions emerging from time to time. On the other hand, employees naturally need job opportunities that provide them with responsibilities, advancement, and challenging work. As they meet one level of their need they want to go the next. They want to make more money; having more responsibilities; and acquiring more status, prestige and power. With this in mind, the company must design career planning and development programs where each worker knows from where to where and when he/she is going along his/her chosen career path. Training and development programs that would enable them moving in the desired path have to be instituted.

2. **Open and transparent communication system**, as witnessed by the management, the union and majority of these employees who responded the survey questionnaire, there is smooth relations. Nevertheless, some employees were hesitant of filling the survey questionnaire of this study. Their perception was that the management is purposefully making the study to know employees' feelings. Some proportion of the respondents, as indicated in the analysis part, report that they are not satisfied of the situation. Expressing their feelings on the area of flexibility measures, the union officials were strongly emphasizing that flexibility for the advantage of the few is not acceptable. Besides, a certain proportion of respondents demonstrated their dissatisfaction with what the union is doing and attained. These are two sides of the coin, may be emanating from lack of awareness on the part of employees on the working conditions of the company. Only 18.8% of respondents responded "Yes" to the question that " Does the union involve employees in its major decisions", even though 60.4% reported " Yes Sometimes." These are indicative of the need for more frequent and transparent communication between union and workers. These negative feeling could be minimized with clear, open, and transparent three-way communication; management with union, management with employees and union with management. As some respondents recommended, holding meetings that would participate all workers and management including union officials as representative of employees will help sharing ideas on current

situations, new developments, future directions, and problems encountered.

3. **Putting in place regular and systematic performance planning and evaluation,** as agreed and included in the collective agreement, annual salary and bonus are given based on performance evaluation of employees. Even tough there is short review of performance at the middle of the year; full-fledged evaluation is done at the end. The evaluation method is traditional. There is a chance that the method might entertain subjectivity. On the other hand, there is no systematic way of enabling workers to develop their performance. Planning each employees performance in advance, entering into contractual agreement on the plan, conducting more frequent progress review, availing the necessary supervisory support on a continuous basis, and performing performance evaluation based on the original plan and subsequent modifications will help alleviate performance evaluation related problems.

4. **Workers' participation and involvement,** out of the weapons of an organization to overcome the challenges of a growing market competition is the skills and performances of workforce. The competitive advantage of firms is built on the human skills and technology. This calls far greater involvement of employees on matters affecting their work, through consultation, information sharing and both way communication. Hence, the company must enhance the involvement of employees in strategic planning, setting the vision, mission, and values of the company, in setting operational and administrative policies and procedures, and changing ways of doing things, etc... Employees' input in to decision making has to be increased. Both the union and the management have to participate and involve employees in decision making in their respective affairs. The company may integrate workers and encourage their involvement through the application of Quality of Work Life (QWL) programs.

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Annex I

አዲስ አበባ ዩኒቨርስቲ
ቢዝነስ እና ኢኮኖሚክስ ፋኩልቲ
የድኅረ-ምረቃ ፕሮግራም

"የሠራተኛ ማህበር ሰላማዊ የኢንዱስትሪ ግንኙነት በማራመድ ሂደት ያላቸው ሚና"
በተመለከተ ለሠራተኛ ህብረት አባላት የቀረበ መጠይቅ፡፡

ይህ መጠይቅ ለምርምር ስራ የተዘጋጀ ሲሆን ሠራተኞች በእነርሱ እነሱን እንዲወክሉ ያቋቋሙዋቸው የመሠረታዊ የሠራተኛ ማህበራት የሚያከናውኑዋቸውን ተግባራት በተመለከተ ያላቸውን አመለካከት ለማሰባሰብ የሚሞክር ነው፡፡ በርካታ ጥናቶች እንደሚያመለክቱት ሠላማዊ የአሰሪ ሠራተኛ (ኢንዱስትሪያዊ) ግንኙነት ለሠራተኛው፣ ለድርጅታቸው ብሎም ለአገር ልማት በእጅጉ የሚበጅ እንደሆነ ነው፡፡ ይህንንም በማምጣት ሂደት የሠራተኛ ማህበራት የሚኖራቸው ድርሻም የላቀ ነው ተብሎ ይታመናል፡፡

እነዚህ የሠራተኛ ማህበራት የተሠጣቸውን ኃላፊነት በተግባር እያዋሉ ስለመሆናቸው ሠራተኞች ምን ይላሉ የሚለው የዚህ ጥናት ዋነኛ ትኩረት ነው፡፡ ከግኝቶችም በመነሳትም ጥናቱ የሠራተኛ ማህበራቱ የወከሏቸውን አባላት በተሻለ ሁኔታ እንዴት ሊያገለግሏቸው እንደሚችሉ እና ለቀጣይ መርኃ-ግብር የሚበጁ ጥቆማዎችን መስጠት ይሞክራል፡፡

ማስታወሻ

1. በዚህ መጠይቅ ላይ የሚሞላው መረጃ በሙሉ በሚስጥር እንደሚያዝ ላረጋግጥልዎ እወዳለሁ፡፡
2. ስምዎትን መፃፍ አያስፈልግም
3. አማራጭ ላላቸው ጥያቄዎች ምላሽዎን በሣጥኑ ውስጥ /✓/ ምልክት እንዲያደርጉ እንዲሁም ዝርዝር ለሚጠይቁት ክፍሎች አስፈላጊውን ማብራሪያ እንዲሠጡ ይጠበቃል፡፡

   ለጥያቄዎቹ ሁሉ ተስማሚ ይሆናል የሚሉትን የራስዎን እውነተኛ ምላሽ በመስጠት ለጥናቱ መሳካት ቀና ትብብርዎን ይለግሱኝ ዘንድ በትህትና እጠይቃለሁ፡፡ ለሚያደርጉልኝ ቀና ትብብር በቅድሚያ ከልብ አመሰግናለሁ፡፡

ክፍል አንድ፡ ሥራዎትን በተመለከተ

1. በመስሪያ ቤትዎ የሥራ ድርሻዎ /መ.ያዎ/ ኃላፊነትዎ ምንድነው?_____
2. በዚህ ድርጅት ውስጥ የስራ መደብ ወይም ኃላፊነት ለውጠው ያውቃሉ?
   ሀ. አዎ ☐ ለ. አላውቅም ☐
3. የተራ ቁጥር 2 መልስዎ አዎ ከሆነ ስንት የስራ መደብ ይዘው ያውቃሉ?
   ሀ. 2 ☐ ለ. 3 ☐ ሐ. 4 እና ከዚያ በላይ ☐
4. የትምህርት ደረጃዎ
   ሀ. ከ10ኛ ክፍል በታች ☐ ሠ. የኮሌጅ ዲፕሎማ ☐
   ለ. 10ኛ ክፍል የጨረሰ ☐ ረ. የመጀመሪያ ደረጃ ዲግሪ ☐
   ሐ. 12ኛ ክፍል የጨረሰ ☐ ሰ. ማስተርስ እና ከዛ በላይ ☐
   መ. ከሞያ ት/ቤት ዲፕሎማ ☐ ሸ. ሌላ_____
5. አሁን ባሉበት ድርጅት ውስጥ ምን ያህል ጊዜ አገልግለዋል?
   ሀ. ከአንድ አመት በላይ ☐ መ. ከ11 እስከ 15 ዓመት ☐
   ለ. ከ1 እስከ 5 ዓመት ☐ ሠ. ከ15 ዓመት በላይ ☐
   ሐ. ከ6 እስከ 10 ዓመት ☐
6. እድሜ፤ _____ የቤተሰብ ብዛት፤ _____ደመወዝ፤ _____
7. ፆታ፤ ወንድ ☐ ሴት ☐

ክፍል ሁለት፡ ሠራተኞች ስለሠራተኛ ማህበራቸው ያላቸው ግንዛቤ እና አመለካከት

8. የሠራተኛ ማህበር ኃላፊዎች ከስራ አመራሩ ጋር በሚኖራቸው ግንኙነት መከተል የሚገባቸው አካሄድ የምክክር እና የመግባባት ስልት እንጂ የግፊት እና ተፅእኖ የማሳደር ስልት መሆን የለበትም፡፡
   ሀ. በጣም እስማማለሁ ☐ መ. እቃወማለሁ ☐
   ለ. እስማማለሁ ☐ ሠ. በጣም እቃወማለሁ ☐
   ሐ. ምንም ማለት አልችልም ☐

9. የድርጅቱ ማኔጅመንት ሠራተኛው በማህበር ተደራጅቶ መንቀሳቀስን በተመለከተ አወንታዊ አመለካከት አለው ብለው ያምናሉ?
   ሀ. አዎ ሁልጊዜ ☐ ለ. አዎ አንዳንዴ ☐ ሐ. በፍጹም አላምንም ☐

10. ለተራ ቁጥር 9 መልስዎ "አዎ አንዳንዴ/በፍጹም አላምንም" ካሉ ምክንያትዎ ምንድነው?
   ሀ. የሥራ አመራሩ መደራጀትን አይደግፍም ☐
   ለ. የሠራተኛ ህብረት በመተጋገዝ እና መተማመን መንፈስ አይሰራም ☐
   ሐ. የሞያ ማህበሩ ብዙ ጊዜ የሥራ አመራሩን መብቶች ይነካል ☐
   መ. ሌላ ምክንያት ካለዎ ቢገልፁልን _____
   _____

11. የሠራተኛ ህብረት የተቋቋመበት ዓላማዎች ምንድናቸው?
   _____
   _____

12. የሠራተኛ ህብረት የተቋቋመበት ዓላማዎች እና አሁን በተግባር እየታዩ ያሉ እንቅስቃሴዎች የሚጣጣሙ ናቸው ብለው ያስባሉ?
   ሀ. አዎ ☐ ለ. አላስብም ☐

13. በተራ ቁጥር 12 መልስዎ "አላስብም" ከሆነ ምክንያቶቹ ምን ይመስልዎታል?
   _____
   _____

14. ሠላማዊ የሆነ የኢንዱስትሪ ግንኙነት ማለት ለእርስዎ ምን ትርጉም ይሰጣል? ወይም ምን ማለት ነው ብለው ያስባሉ?
   _____
   _____

15. ሠላማዊ የሆነ ኢንዱስትሪያዊ ግንኙነት ቢኖር ለሠራተኛው ብሎም ለድርጅቱ ጠቀሜታ አለው ብለው ካመኑ ጠቀሜታዎቹ ምንድናቸው ብለው ያስባሉ?
   _____
   _____

16. ሠላማዊ የሆነ ኢንዱስትሪያዊ ግንኙነት እንዲኖር የማድረግ ኃላፊነት የማን ነው ብለው ያምናሉ?
   ሀ. የሥራ አመራሩ ☐ ሐ. መንግስት ☐
   ለ. የሞያ ማህበራት ☐ መ. ከላይ የተጠቀሱት ሁሉም ወገኖች ☐
   ሠ. ሌላ ከሆነ ቢገልጹልን _____

17. ሠላማዊ የሆነ የአሠሪና ሠራተኛ(ኢንዱስትሪያዊ) ግንኙነት መፍጠር ይቻላል?
   ሀ. አዎ ሁሉ ☐ ለ. አዎ አንዳንዴ ☐ ሐ. መቼም አይቻልም ☐

18. የሠራተኛ ህብረት የማኔጅመንት አካል ሊያደርግ ከሚችለው በላይ የሚጠይቅበት ጊዜ አለ፡፡
   ሀ. አዎ ☐ ለ. የለም ☐

19. በእርስዎ አመለካከት ሥላማዊ የሆነ የኢንዱስትሪ ግንኙነት መገለጫው ምንድነው?

_____

_____

20. የሠራተኛ ህብረት ኃላፊዎች ሚናቸውን በሚገባ የተገነዘቡ ናቸው ብለው ያምናሉ?
ሀ. አዎ ☐ ለ. አላስብም ☐

21. ከሚከተሉት ዝርዝሮች ውስጥ የሠራተኛ ማህበር ሊያተኩርባቸው ይገባል የሚሉትን ተግባራት በእርስዎ ምዘና በቅደም ተከተል ከ1 እስከ 10 ደረጃ በመስጠት ያስቀምጥዋቸው፡፡

_____ሠራተኞች ሊደርሱባቸው ከሚችሉ አግባብነት የሌላቸው እና ፍትሐዊ ካልሆኑ አሠራሮች መጠበቅ

_____የሥራ ዋስትና ማረጋገጥ

_____የሠራተኞች የደመወዝ እና ጥቅማ ጥቅሞች የሚሻሻሉበት ሁኔታ መሻት

_____የሥራ ሁኔታን እና የስራ አካባቢ ደህንነት የሚሻሻልበት ሁኔታ መሻት

_____ሠራተኞች በውሳኔ አሰጣጥ የሚኖራቸውን ተሳትፎ ማስፋት

_____የሥራ አመራሩ ከደንብ እና ከህግ ውጭ የሚያደርጋቸው እንቅስቃሴዎች እና ድክመቶችን መከታተል፣መመርመር እና ሪፖርት ማድረግ

_____በሠራተኞች መሐከል ያለውን አንድነት ማጠናከር

_____የሠራተኞች ኢኮኖሚያዊ ሁኔታ የሚሻሻልበት ሁኔታዎች መፍጠር

_____የሠራተኛ ፍላጎት እና መብት በሚጣስበት ጊዜ መብታቸውን እንዲጓት ማስከበር እንደሚችሉ አስፈላጊውን የምክር እና ሌሎች እገዛዎች መስጠት

_____በተለያዩ ኮሚቴዎች ለምሳሌ የቅጥር፣ የእድገት፣ የግዝ እና ሌሎች ኮሚቴዎች ውስጥ በመግባት ህጋዊነቱን የጠበቀ፣ የድርጅቱን ዓላማ የሚያግዝ እና የሠራተኛውን ጥቅም እና ፍላጎት የጠበቀ ሰራ መሰራቱን ማረጋገጥ፡፡

22. ግጭቶች እና አለመስማማቶች ይኖራሉ፡፡ እነዚህን በተካረረ መንገድ ሳይሆን በመመካከር፤ በመግባባት፤ በመተጋገዝ መንፈስ፤ በጋራ መተማመን እና ሁሉም ወገን ማድረግ የሚችለውን ለማድረግ ፈቃደኛ እየሆነ እና እያደረገ ከሄደ ሠላማዊ የሆነ የኢንዱስትሪያዊ ግንኙነት ሊኖር ይችላል፡፡
ሀ. እስማማለሁ ☐ ለ. አልስማማም ☐

23. መ/ቤትዎ ሠራተኛው የተሻለ ደመወዝ፣ የስራ ሁኔታ እና የትርፍ ድርሻ እንዲያገኝ ብሎም መልካም የሆነ የኢንዱስትሪ ግንኙነት እንዲኖር አቅሙ የፈቀደውን ሁሉ ይሰራል ብለው ያምናሉ?
ሀ. አዎ☐ ለ. አላምንም ☐

24. ለተራ ቁጥር 23 መልስዎ ‹‹አላምንም›› ከሆነ ምክንያቱ ምን ይመስልዎታል?
ሀ. ማኔጅመንት ለሠራተኛው ያለው ቸልተኝነት ☐

ለ. የሠራተኛ ህብረት የሠራተኛውን ጥቅምና መብት ማስጠበቅ የሚያስችል ተጽዕኖ በማኔጅመንት ላይ ማሳደር ባለመቻሉ ☐

ሐ. የአሠሪና ሠራተኛ ጉዳይ ህጎች ለሠራተኛው የሚሠጡት መብት ዝቅተኛ መሆን ☐

መ. ምክንያቱ ሌላ ከሆነ_____

ክፍል ሦስት፡ የሞያ ማህበራት ሚናዎች በተግባር

25. የሠራተኛ ህብረት አባል ለመሆን ምን አነሳሳዎ?

_____

26. በአጠቃላይ መልኩ ሲታይ የሠራተኛ ህብረት አባል በመሆንዎ ጠቀሜታ አግኝተዋል?

ሀ. አዎ ☐ ለ. አልተጠቀምኩም ☐

27. ለተራ ቁጥር 26 መልስዎ "አዎ" ከሆነ ያገኙዋቸውን ጥቅሞች ቢገልጹልን?

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28. የሠራተኛ ህብረት የሠራተኛውን መብት እና ጥቅም ከማስከበር አንጻር ጥንካሬውን እንዴት ይለኩታል?

ሀ. በጣም ጠንካራ ነው ☐ መ. ደካማ ነው ☐
ለ. ጠንካራ ነው ☐ ሠ. በጣም ደካማ ነው ☐
ሐ. ምንም ማለት አልችልም ☐

29. በተራ ቁጥር 28 መልስዎ ‹‹ደካማ/በጣም ደካማ›› ነው ካለ ምክንያቱ ምን ይመስልዎታል?

ሀ. የማኔጅመንት ተጽእኖ ☐
ለ. ሠራተኛው ስለማይፈልገው ☐
ሐ. የሠራተኛ ማህበር ሓላፊዎች በኢንዱስትሪ ግንኙነት ላይ ያላቸው እውቀት እና ብስለት ደካማ መሆን ☐
መ. ሌላ ምክንያት ካለ ቢገልጹልን_____

30. የሠራተኛውን ፍላጎት እና መብት በማስከበር ሂደት ውስጥ ከሠራተኛ ህብረት ይልቅ ማኔጅመንቱ የተሻለ ይሠራል፡፡

ሀ. በጣም እስማማለሁ ☐ መ. እቃወማለሁ ☐
ለ. እስማማለሁ ☐ ሠ. በጣም እቃወማለሁ ☐
ሐ. ምንም ማለት አልችልም ☐

31. የሠራተኛ ህብረት እንደ ህብረት በተግባር የሚያራምደው እንቅስቃሴ እና የአጠቃላይ ሠራተኛው ፍላጎት በአብዛኛው የተጣጣመ ነው፡፡

ሀ. በጣም እስማማለሁ ☐ መ. እቃወማለሁ ☐
ለ. እስማማለሁ ☐ ሠ. በጣም እቃወማለሁ ☐
ሐ. ምንም ማለት አልችልም ☐

32. በእናንተ ድርጅት ውስጥ ሠላማዊ የሆነ ኢንዱስትሪያዊ ግንኙነት አለ?

ሀ. አዎ ☐ ለ. የለም ☐

33. ለተራ ቁጥር 32 መልስዎ‹‹የለም›› ከሆነ ምክንያቱ ምን ይመስልዎታል?

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34. የሠራተኛ ህብረት ሠላማዊ ኢንዱስትሪያዊ ግንኙነት በማረጋገጥ ሂደት የሚያበረክተው አስተዋጽዖ ምንድን ነው?

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35. የሠራተኛ ህብረት የተጣለበትን ኃላፊነት ከግብ ለማድረስ የሚያስችለው አደረጃጀት እና መዋቅር አለው?

ሀ. አዎ ☐ ለ. የለውም☐

36. የሠራተኛ ህብረት የተጣለበትን ሓላፊነት በአግባቡ እየተወጣ ነው ብለው ያምናሉ?
ሀ. አዎ ☐ ለ. አላምንም ☐

37. የሠራተኛ ማህበር በሠራተኛ ጉዳዮች ከማኔጅመንቱ ላይ ቅሬታ በሚኖረው ወቅት ልዩነቱን ለመፍታት በአብዛኛው የሚጠቀምበት ዘዴ ምንድነው?

ሀ. ከማኔጅመንት ጋር በመተጋገዝ፣ በመተማመን እና በግልጽነት መንፈስ በመወያት እና ስምምነት በመድረስ ☐
ለ. ልዩነቱን በቀጥታ ለበላይ እካላት ማለትም እንደቦርድ ላሉት በማቅረብ ☐
ሐ. ሠራተኛው በማኔጅመንቱ ላይ እንዲያምጽ በማድረግ ☐
መ. ጉዳዩን በመንግስት ለሚሰየም አስማሚ አካል፣የአሠሪና ሠራተኛ ጉዳይ ወሳኝ ቦርድ፣ እና ለስራ ክርክር ችሎት እንደአስፈላጊነቱ እና በደራጃው በማቅረብ ☐
ሠ. ሌላ ከሆነ ቢገልጹልን_____

38. በሠራተኛ ህብረት እና በማኔጅመንት መካከል ያለው አብሮ የመስራት እና ሌሎች ግንኙነቶች ምን ይመስላል?
ሀ. በጣም ጥሩ ☐ መ. ደካማ ☐
ለ. ጥሩ ☐ ሠ. በጣም ደካማ☐
ሐ. ምንም ማለት አልችልም☐

39. ለተራ ቁጥር 38 መልስዎ "ደካማ/በጣም ደካማ" ከሆነ ምክንያቱ ምን ይመስልዎታል?
_____
_____

40. አሁን በኃላፊነት ባሉት የሠራተኛ ህብረት አመራር አባላት የሚታዩበቸው ችግሮች የትኞቹ ናቸው?
☐ ሀ. በሠራተኛው የዘወተር ጥያቄዎች ላይ ከስራ አመራሩም ጋር ሆነ ከሌሎች አካላት ጋራ ተጋፍጦ ተገቢ እና አጥጋቢ ምላሽ ለሰራተኛው ማምጣት የሚያስችለው በቂ የሆነ የድርድር እውቀት እና ተሰጥኦ የሌላቸው መሆኑ
☐ ለ. ለግል ጉዳያቸው ቅድሚያ የሚሰጡ መሆናቸው
☐ ሐ. ከስራ አመራሩ ተጽእኖ መሉለመሉ ነጻ አለመሆናቸው
መ. ሌላ ከሆነ ቢገልጹልን_____

41. ከላይ ‹‹በክፍል ሁለት›› በተራ ቁጥር 21 ከተጠቀሱት ዘጠኝ የተለያዩ ተግባራት ውስጥ በሠራተኛ ህብረት ዘወትር ትኩረት የሚያገኙት የትኞቹ ናቸው?
_____
_____

42. የሠራተኛ ህብረት ኃላፊዎች የአጠቃላይ ሠራተኛውን ሳይሆን በአብዛኛው የራሳቸውን ፍላጎት እና ጥቅም ሲያራምዱ ነው የሚታዩት?
ሀ. በጣም እስማማለሁ ☐ መ. እቃወማለሁ ☐
ለ. እስማማለሁ ☐ ሠ. በጣም እቃወማለሁ ☐
ሐ. ምንም ማለት አልችልም ☐

43. በምርታማነት፣ በምርት ጥራት፣ ወጪ ቆጣቢ በሆኑ አሠራሮች እና ተግማጅነት ባላቸው የስራ ጉዳዮች ሠራተኞች ያላቸውን ግንዛቤ ለማሳደግ የሠራተኛ ህብረት ፕሮግራሞች አዘጋጅቶ ያውቃል?

ሀ. አዎ ☐ ለ. አያውቅም ☐

44. ማኔጅመንት የሠራተኛ ህብረትን እንቅስቃሴ ለማሣናከል ወይም በድርጅቱ ውስጥ የሠራተኛ ህብረት እንዳይኖር ለማድረግ ይንቀሳቀሳልን?

ሀ. አዎ ☐ ለ. አይንቀሳቀስም ☐

45. ለተራ ቁጥር 44 መልስዎ "አዎ" ከሆነ ምክንያቱ ምን ይመስልዎታል?

_____

_____

46. ከአምስት አመት ወዲህ በሠራተኛ ህብረት አማካኝነት የመጡ ተጨባጭ ለውጦች ካሉ ቢጠቅሱልን፡፡

_____

_____

47. የሠራተኛ ህብረት በሚያደርጋቸው እንቅስቃሴዎች እና ውሳኔዎች ከሠራተኛው ጋር የመመካከር ልምድ አለውን?

ሀ. አዎ ሁሉ ☐ ለ. አዎ አልፎ አልፎ ☐ ሐ. በፍጹም የለውም ☐

48. ማኔጅመንት ለዘለቄታው በሁሉም ረገድ የሠራተኛውን ፍላጎት፣ ጥቅም እና መብት እያስከበረ የሚሄድ ቢሆን በሠራተኛ ህብረት አባልነትዎ ይቀጥላሉን?

ሀ. አዎ ☐ ለ. አልቀጥልም ☐

49. ለተራ ቁጥር 48 መልስዎ "አዎ" ከሆነ ጥቅሙ ምን ይመስልዎታል?

_____

_____

50. የሠራተኛ ህብረት አባል በመሆንዎ ከማንኛውም ወገን የደረሰብዎት/ያጋጠምዎት ችግር አለ?

ሀ. አዎ ☐ ለ. የለም ☐

51. በድርጅታችሁ ውስጥ ሰላማዊ የሆነ ኢንዱስትሪያዊ ግንኙነት የነበረበት ወቅት ያስታውሱና፣ በዛ ወቅት ለድርጅቱ ብሎም ለሠራተኛው የመጣ ተጨባጭ ለውጥ ካለ ቢጠቅሱልን፡፡

_____

_____

52. የሠራተኛ ህብረት ባይኖር ኖሮ የሠራተኞችን ፍላጎት እና መብቶች ማረጋገጥ በእጅጉ ያዳግት ነበር፡፡

ሀ. በጣም እስማማለሁ ☐ መ. እቃወማለሁ ☐

ለ. እስማማለሁ ☐ ሠ. በጣም እቃወማለሁ ☐

ሐ. ምንም ማለት አልችልም ☐

53. በአጠቃላይ የአሠሪና ሠራተኛ(ኢንዱስትሪያዊ) ግንኙነቱ የተሻለ ለማድረግ ከሁሉም ወገን ሊደረግ ይገባል የሚሉትን ቢጠቅሱልን?

_____

_____

Annex. II

Addis Ababa University
Faculty of Business and Economics (FBE)
Master of Business Administration (MBA) Programme

Questionnaire for Employees
On
"The Role of Labor/ Trade Unions in promoting Peaceful Industrial Relations"

Purpose:

This survey questionnaire is designed to collect the views of employees of selected organizations on the roles of their labor representatives in the labor union. It tries to measure the attitudes of employees regarding the practical roles of labor unions. Additionally, it seeks to assess whether the roles played by trade unions are in line with maintaining peaceful industrial relations that as evidenced by many researches are the essential ground for both parties to maintain better industrial relations that help them attain their respective objectives. Based on the findings of the study, recommendations will be forwarded which will enable trade unions serve their constituents better.

Note:

⇒ I request you to give your **true feeling** about each question

⇒ Your responses will be **confidential** and it will be used only for research purpose.

⇒ **Do not write your name.**

I WOULD LIKE TO THANK YOU IN ADVANCE FOR YOUR COOPERATION

A. Personal Data

1. What position you hold in your organization? _____
2. Have you ever changed your position or promoted in this organization?
   A. Yes ☐ B. No ☐
3. If your answer to question # 2 is "Yes", how many positions you held?
   A. 2 ☐ B. 3 ☐ C. 4 and Above ☐
4. Educational Background:
   a) Below 12th grade ☐ d) College Diploma ☐
   b) 12th grade complete ☐ e) Master & above ☐
   c) Diploma from technical school ☐ f) First Degree ☐
   a) If other, Specify: _____
5. How long have you served in this organization?
   a) Less than one year ☐ d) 11-15 years ☐
   b) 1-5 years ☐ e) more than 10 years ☐
   c) 6-10 years ☐
6. Age: _____ Family size: _____ Salary: _____
7. Sex A. Male ☐ B. Female ☐

B. Knowledge and attitudes of employees to labor/ trade union

8. The existence of a cooperative spirit and mutual trust between management and labor union generally is more important to employees than mistrust between the two parties.
   b) Strongly agree ☐ d) Disagree ☐
   c) Agree ☐ e) Strongly disagree ☐
   d) Can not say ☐

9. Do you think management has positive thinking towards trade union or organized movement of employees?
   a) Yes always ☐ b) Yes sometimes ☐ c) No ☐

10. If your answer to item **# 7** is "**Yes sometimes**" or "**No**", what do you think the reason (s)?
    a) Management stands against unionization ☐
    b) Trade union is not working in a spirit of cooperation and mutual trust ☐
    c) Labor union always wants to touch the prerogatives of management ☐
    d) If any other reason, please specify

    _____

11. What do you think the objectives(s) of the trade union of your organization?

    _____

    _____

    _____

12. Do you think the activities of the labor union go along with objectives of your organization's trade unions?
    a) Yes ☐ b) No ☐

13. If your answer to item **# 12** is "**No**", what do you think the reason (s)?

    _____

    _____

    _____

14. What does it mean to you "peaceful industrial relations"?

    _____

    _____

15. What do you think are the advantages of Peaceful industrial relations?

    _____

    _____

16. Who is responsible for the existence of peaceful industrial relations?
    a. Manageme☐ c. Government ☐
    b. Labor union☐ d) all of these parties ☐
    e) if any other, specify _____

17. Is it possible to maintain peaceful industrial relations?
    a) Yes Always ☐ b) Yes sometimes ☐ c) Not at all ☐

18. Do the union demand more than what the management can do?
    a. Yes ☐ b. No ☐

19. What are the manifestations of peaceful industrial relations?

    _____

    _____

20. Do you think the labor union officials duly understand their responsibilities?
    a. Yes ☐ b. No ☐

21. Rank, according to your preference, the roles that trade unions should espouse; from the most important (1^{st}) to the least (10^{th})
    ----Protect workers against unfair practice
    ----Improve job Security
    ----Improve compensations and benefits
    ----Improve working conditions
    ----Improve employees' participation in decision-making
    ----Investigating and reporting on misconducts and weakness of management that they think are harmful to the overall organizational performance and image.
    ----Strengthen solidarity among employees
    ----Improve the economic conditions of employees
    ----Provide council and advice to employees on ways of handling matters related to breaches of their right and interests by management
    ___Participate in different committees of the organization such as recruitment, promotion, transfer, procurement and contribute towards ensuring these activities are performed in the best interest of the organization and employees.

22. There may be conflicts and disagreements between management and union. If these are resolved in manner of consultation, cooperative spirit, trust of each other and all parties give what they can give, peaceful industrial relations will be a reality.
    a. Agree ☐ b. Disagree☐

23. Do you think management exerts effort in a manner of bringing better compensation and benefits, work conditions, profit sharing and sound industrial relations?
    a. Yes b. No

24. If your response to # 23 is "No", what do you think is the reason(s)?
    a. Management's negative attitude towards labor union ☐
    b. The union is not such strong to influence the management ☐
    c. Labor law provisions are minimum ☐
    d. If other, specify _____

C. The role of labor/Trade Union in practice

25. Why you become the member of the union?
    _____

26. By being a member of the labor union you, in general terms, do you have benefits?
    a. Yes☐ b. No ☐

27. If your response to # 26 is "Yes", what benefits you have obtained?
    _____
    _____

28. How do you rate the strength of the union in ensuring the interests and rights of employees?
    a. Very strong ☐ d. weak ☐
    b. Strong ☐ e. Very Weak ☐
    c. Cannot say ☐

29. If your response to # 28 is "weak/ very weak", what do you think the reasons?
    a. Management influence ☐
    b. Employees do not need union ☐
    c. The knowledge of union officials on industrial relations and their maturity is low ☐
    d. If other, specify _____

30. Management exerts more effort than trade union in ensuring and ascertaining employees' interests & rights
    a. Strongly agree☐ d) Disagree ☐
    b. Agree ☐ e) strongly disagree ☐
    c. Can not say ☐

31. There is a match between the practices of the labor union and the interests and needs of employees
    a. Strongly agree☐ d) Disagree ☐
    b. Agree ☐ e) strongly disagree ☐
    c. Can not say ☐

32. Do you think there is peaceful industrial relations in your organization?
    a) Yes☐ b) No☐

33. If your response to # 32 is "No", what do you think is the reason(s)?

_____

_____

34. What does the union contribute in the process of maintaining peaceful industrial relations?

_____

_____

35. Does the labor union has the necessary structure and organization that enables it performs its duties?

a. Yes ☐ b. No ☐

36. Do you believe that labor union is effective in carrying out its responsibilities?

a) Yes ☐ b) No ☐

37. What strategies the union deploy to resolve disagreements and conflicts?

a. through consultation with management in manner of cooperation and openness ☐
b. directly reporting the disagreement to higher bodies ☐
c. agitating employees for strike ☐
d. if other, specify_____

38. How do you rate the relations and cooperation of management and union?

a. Very strong ☐ d. weak ☐
b. Strong ☐ e. Very Weak ☐
c. Cannot say ☐

39. If your response to # 38 is "Weak/Very Weak", what do you think are the reasons?

_____

_____

40. Which of the following problems of the current union officials?

a) They have not adequate negotiation knowledge and skills ☐
b) Give priority to their personal interests ☐
c) Influenced by management ☐
d) Other, specify_____

41. What major things union does in practice out of those listed in # 21?

_____

_____

42. Labor Union officials promote their personal interest than the rights and interests of the whole employees.

a) Strongly agree ☐ d) Disagree ☐
b) Agree ☐ e) Strongly disagree ☐
c) Can not say ☐

43. Does your union ever organize an orientation program to develop the skills and awareness of employees towards the need for being productive and efficient in operation?
    a) Yes ☐ b) No ☐
44. Are there strategies & tactics that the management uses to discourage the efforts of trade union and to remain free from union?
    a) Yes ☐ b) No ☐
45. If your response to item **#12** is "**Yes**", what do you think the reason (s)?

    _____

    _____
46. In the last five years what benefits employees obtained because of the efforts of the union?

    _____

    _____
47. Does the union have the practice of consulting with workers on decisions?
    A) Yes ☐ B) No ☐
48. If management continuously works towards recognizing the rights and interests of employees, would you continue with your union membership?
    a) Yes b) No
49. If your response to item **# 48** is "**Yes**", what will the advantage(s) be?

    _____

    _____
50. Have you encountered any problem because of being member of the trade union?
    a) Yes b) No
51. Recall a time where there was best relationship between management and employees. What fundamental changes brought to the organization and employees?

    _____

    _____
52. If it was not for the existence of labor union, it could have been difficult for employees to ensure the rights and interests they deserve in this organization.
    e. Strongly agree ☐ d) Disagree ☐
    b) Agree ☐ e) strongly disagree ☐
    c) Neutral ☐
53. To improve the industrial relations situation further, what do you think parties do?

    _____

    _____

Annex - III

ADDIS ABABA UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
MASTER OF BUSINESS ADMINISTRATION (MBA) PROGRAMME

Guiding Questions to be used during interview with labor/trade union officials
On
"The Role of Labor/ Trade Unions in promoting Peaceful Industrial Relations"

Purpose:

This guiding interview questionnaire is designed to collect the views of union officials of selected organizations on the roles of unions as representative of employees. It tries to measure the knowledge and attitudes of union officials regarding the practical roles of labor unions and peaceful industrial relations. It also tries to assess the practical experiences of trade unions. Based on the findings of the study, recommendations will be forwarded which will enable trade unions serve their constituents better.

A. Peaceful Industrial Relations

1. What do peaceful industrial relations mean to the union? Who is responsible to institute peaceful industrial relations? The benefits of peaceful IRs to employees and the organization, are there actions/behaviors and situations that can possibly damage the IRs situation of the BGI
2. How is the relation of the union with management and employees described? Positive, adverse, built in mutual respect and trust....etc...
3. How close is your relation with employees, management?
4. Are you satisfied or dissatisfied of the actions of management with respect to the involvement of employees in decision-making,
5. The level of employee welfare, and other intrinsic and extrinsic reward schemes of the organization

B. Role of labor unions

6. What are the objectives of the union in this organization? Where from these objectives emanate?
7. Does the union think that it has accomplished to the extent of employees expectations? Besides ascertaining the rights and interests of employees, what do you do, for instance, with regard to promoting productivity, and efficiency in the organization? Quality product and services?
8. Since last election of a new union officials what are the major accomplishments? Success stories
9. What tactics and strategies the union employ to fulfill its objectives?
10. Do you think the existence of union contributed to improved productivity and quality of product/service in the organization? How that can be substantiated?
11. What are the main concerns of the union? Describe them in order of importance. What are the major challenges of the union?

12. How do you enroll new members? Does the management give you any assistance in this? What is the union density?
13. What evidence do you have that your actually work for the common rights and interests of employees not for your individual interests.

C. General:

14. What does labor Proclamation # 377/2003 mean to you?
15. Are there employees of BGI who are not members of the union? Why they are not member?
16. What significance federations of unions and CETU have to the basic labor unions?
17. Modern day business practices demand a very flexible working environment, flexible recruitment, selection, performance appraisal, reward systems, manufacturing systems, etc... Traditional ways of by the book management may not enable business to be successful in this dynamic and extremely competitive business environment. What is the response of trade unions towards such flexible management system? What change it brings to the roles, strategies and tactics of the trade union?
18. If the organization has comprehensive HRM system, where employee-employer relation agenda are explicitly set and fair to employees, will union continue to be viable? Alternatively, will there be a shift in functions and strategy?