Introduction to Labour-Management Relations

By Igbokwe Philoemna Ify
Obafemi Awolowo University

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I. Introduction

Traditionally, labour relations were considered as a relationship between employees and employers. But nowadays, this has become a burning issue consisting of the relationship between workers, employers and the social environment of the organisation. It is a dynamic socio-economic process that makes a social dialogue among employees, employers and the organisational social environment.

The importance of the human factor in any organisation cannot be overemphasized. Land and capital as non-human factors of production are worthless unless there is the labour to utilize the machinery and the tools, and unless there is the management to coordinate all other factors towards the achievement of the goals of the organisation, be it production of goods or delivery of services. Indeed, an organisation can only be as effective and efficient as its human resources. Traditional personnel management sees human beings in an organisation as machines but if these machines are not constantly lubricated, then they may breakdown or cease to function and that is just about what the human resource management sets out to accomplish in organisations. The strength of any organisation lies in its manpower, no matter the size of an organisation or the worth of its owner(s), the organisation and its life span are in the hands of the people working in that organisation.

The importance of human resources in an organisation is further buttressed by the observation of Romana and Anca (2013), they observed that in most organizations people are now recognized as the vital asset whose knowledge, skills and abilities must be deployed to the maximum effect if the organisation is to become successful. They further observed that the value of an organisation relating to the people it employs and its human resource strategies is gaining recognition and is generally accepted and goes to say that this has implications for long-term sustained performance. Managers and employers of labour, therefore, take very seriously, the training and development of its workforce (labour) to make them more effective and efficient, so that the objectives of organisations are achieved with minimal efforts.

In general, there is a need for good human resource management. The recruitment and selection process has to be standard and based on merit. Orientation, deployment, training and development have to be put in place. Adequate compensation, benefits, rewards and motivation have to be provided for employees and welfare issues addressed at the right time. Workers wellbeing should be given adequate consideration.

According to Hassan (2016). The relationship between labour and management determines the kind of industrial climate that may prevail in an organisation. In the same vein, Long (2014) observed that there is a need to maintain proper relations with employees and trade unions. That is, there must be a cordial relationship between the two major human elements of production, labour on one hand, and the managers on the other hand. This is where the concept of labour-management relation becomes significant. Labour-management relation is concerned with the relationship between workers, not as individuals but in their collective identity. Labour-management relations deal with the internal arrangement between employers and workers’ unions (the trade unions) in bilateral relationship within an industry, across industries or within an enterprise, to regulate their relations affecting employment and its compensation (Yoder, 1958). Indeed, no meaningful development could be achieved in an environment devoid of peace and understanding, most especially, one involving labour and management.

Labour-management relations refers to interactions between employees, as represented by labour unions, and their employers. Labour unions are organizations of employees in particular industries, companies, or groups of industries or companies, who join together to further workers’ interests. The primary focus of Labour- Management Relations should be on the grievance, handling the industrial dispute, and interpretation of labour laws, etc. It provides a context in which organizational rules and regulations are framed so that organizational roles assigned to members are performed.
The study of labour-management relations refers to the rules and policies which govern and organize employment, how these are established and implemented, and how they affect the needs and interests of employees and employers (Von Otter, 2007). Hence, labour relations or employee relation of industrial relation is a system that makes the social dialogue between employees, employers and society/government. It refers to all means of the relationship between management and employees, unions and management, unions and employees and between the employees themselves. It is a joint effort of these major influences that produce harmonious industrial relations between them. Its concern is to promote a healthy and harmonious relationship between employees and employers.

It is said that the most complicated set of relations that managers deal with is the issue of labour-management relations. Efficient maintenance of labour relations helps the human resource managers in developing a harmonious environment within the organisation which, in turn, helps the organisation in effectively achieving its goals and objectives. Well managed labour relations provide a competitive advantage to the organisation by negating the hassles arising out of labour or union-related issues and conflicts. Labour-management relations is concerned with the internal arrangement between employers and trade union in a joint relationship within an industry or across industries or within an enterprise to regulate their relations affecting employment and its compensation, this relation connotes a relationship between workers and the employers.

However, human wants are many while the means of satisfying them are very limited. This economic principle is valid for the organisation just as it is valid for individuals. The management may have the interests of its workers at heart, they may tend towards the practice of the soft model of human resource management, but would definitely not be able to satisfy all the demands of its workers due to scarcity of resources. Hence, conflicts can hardly be completely avoided in labour-management relations. Conflicts form an integral part of the industrial relation system, it is inevitable. Some conflicts are legitimate and even desirable, such are not disruptive, but then, a delicate balance is required to obtain the advantages and restrict the disadvantages of organizational conflicts (Sacks, 1979). But due to the adverse effect of conflicts in organizations, conflicts must be resolved and properly managed. The ability of management to resolve and manage conflict with minimum friction, whenever it occurs, among the workers or between the workforce and management is important to the growth and development of any organisation.

a) Objectives

The general objective of this paper is to introduce the subject of labour-management relations. While the specific objectives are to:
(i) Discuss the different types of conflicts,
(ii) Examine their manifestations and
(iii) Identify various methods of conflict resolution

II. Literature Review

Conflict is as old as man, it is a natural phenomenon in all human society that occurs in man’s day-to-day activities. Given that every individual is unique, some views and opinions will defer from those of others. The reason is that people of various background, culture, religion and belief come together and live in the same space. Conflict can come in form of serious disagreement, misunderstanding or argument about something important. It could also be a state of mind in which one finds it impossible to make a decision. The conflict could also mean fight, battle, contention, clash, incompatibility, oppositional disturbance, sharp disagreement and struggle. Conflict is a kind of disagreement through which the parties involved perceive a threat to their existence, need, interest or concern. According to Oyeshola (2005), conflict is part of human experience, and to keep our sanity, we must know how to handle it creatively. Healthy conflict can lead to growth, innovation, and new ways of thinking which can lead to development. If it is well managed, it leads to mutual benefits and it could strengthen the relationship. Therefore, conflict in itself is not a problem, it is when conflict is poorly managed or when it becomes intractable or unresolved that it becomes a problem.

a) Types of Conflict

Whether a conflict is good or bad depends on the type of conflict, but to say that conflict is all good or bad is inappropriate and naive. Conflict in an organisation is a situation in which the expectation(s) of a person or group is hindered or about to be hindered by another person or group. Conflicts are part and parcel of human beings, they are daily occurrences within an individual and among people. Conflict occurs in both public and private organisations.

b) Functional or Constructive Conflict

This type of conflict supports the goals of the group and improves its group’s performance. The interactionist view does not propose that all conflicts are good but the argument is that if conflicts lead to normal competition among groups and the groups work harder and produce more, it is advantageous to the group and the organisation. It is viewed as a confrontation between two ideas, goals and parties that improve employees and organizational performance. The major benefit of constructive conflict is that it gives its members a
chance to identify the problems and see the opportunities, they are fully involved, which may lead to new ideas, learning and growth among individuals and by extension the growth of the organisation.

c) Dysfunctional/Destructive Conflict

As earlier mentioned, conflict is inevitable and desirable in organizations, but if not properly addressed by way of effective handling, may lead to temporal or permanent damage. They hinder group performance and can tear relationships apart, thus, interfere with the exchange of ideas, information and resources in groups and between departments. This type of conflict hinders and prevents organisational goals from being achieved. Destructive conflict as implied by the name usually hinders organizational performance and leads to decreased productivity. It is characterized by competing for individual interests overriding the overall interest of the business. It could manifest in several ways such as opposing groups forming within a company, inability to move forward and productivity slowdowns, loss of trust, avoidance of working with some or all people, hiding behaviour from outsider's view, call by some for outsider help, feeling of being unwelcome, anger, confusion, anxiety and absence of proper communication.

d) Causes of Conflict

Conflict is part of organizational life and may occur within and between individuals, between the individuals and the group, within and between groups and sometimes within the individual. Ordinarily, the conflict will bring to the fore management defects which will lead to reexamination and adjustment that will, in turn, lead to the overall effectiveness of the organisation. Therefore, conflict can occur as a result of structural or personal factors.

e) Structural Factors

i. Specialisation: Over some time, employees tend to become specialists in a particular job or get a general knowledge of many tasks. Sometimes the erroneously assume the role of a specialist when in reality they are not. This can lead to conflict because they have little knowledge of each other’s job responsibilities. For example, a sales representative at a tailors shop can say that a suit can be made in a time that is not realistic, since the sales representative does not know much about the tailor’s job, he should not give an unrealistic deadline when the suit will be ready. This situation can lead to conflict between the sales representative and the tailor.

ii. Common Resources: Some resources in an organisation may be scarce. In many work situations, resources have to be shared. Resource scarcity leads to conflict because each person that needs the same resources necessarily undermines others who pursue their own goals. Limited resources may include money, supplies, people or even information. For example, according to Mcshare and Glinow, (2008). The Redmond Washington based software company may dominate several markets, but its staff members still disagree over limited resources. Sartorial support computer time can contribute to conflict. Considering the company that installs a new computer for administrative and research purpose, at first, there is plenty of computer time and space for both uses. However, as both factions make more and more use of the computer, access becomes a problem and conflict may erupt.

iii. Goal Differences: The possibility of conflict increase substantially when departments in the organisation have different or incompatible goals. For example, the goal of a computer salesperson is to sell many computers as fast as possible. The manufacturing facility may, however, lack the capacity to meet the salesperson’s promises. In this instance, conflict may occur as two persons have different goals or incompatible goals.

iv. Inter-dependence: Often, conflict tends to increase with the level of task interdependence. When a person has to depend on someone else to complete a task, it becomes easier to blame a co-worker when something goes wrong. Interdependence, as a rule, exists when team members must have an interest in the process of work and receive outcomes that depend on the performance of others.

v. Authority Relationships: Conflict is any situation in which two or more parties feel themselves in opposition to power, status or property. In many organisations, there is an underlying tension between managers and employees because most people do not like being told what they have to do. In many organisations, managers/supervisors have privileges (flexible hours, free personal long-distance calls, longer breaks, etc) sometimes people try to engage in conflict to increase their power or status in an organisation. Many strict managers often have conflicts with their employees.

vi. Roles and Expectations: A role is the expected behaviour of an individual in society or this case in an organisation. Every employee has one or more roles in the organisation. These roles include such elements of job title, description of duties and agreement between the employee and the organisation. Manager-subordinate conflict can result when the subordinate’s role is not determined and each part has a different understanding or misunderstanding of that role.

vii. Jurisdictional Ambiguities: Employees tend to pass unwanted responsibilities to others when responsibilities are not clearly stated. When the lines of responsibility in an organisation are uncertain,
then jurisdictional ambiguities appear. Ambiguous goals, jurisdictions, or performance criteria can lead to conflict. Under such ambiguity, the formal and informal rules that govern interactions break down. Ambiguous jurisdictions are often revealed when new programmes are introduced, or when the workload increases. This is a common occurrence in higher institutions.

\(f\) Manifestation of Conflict

As earlier stated, the conflict could manifest in several ways, such as opposing groups forming within a company, inability to move forward and productivity slowdowns, loss of trust, avoidance of working with some or all people, hiding behaviour from outsider's view, call by some for outsiders help, feeling of being unwelcome, anger, confusion, anxiety, overwork and absence of proper communication. According to Yakubu (2000), the conflict could be classified into four broad spectrums. Intrapersonal conflicts, interpersonal conflicts, intragroup conflicts, and intergroup conflicts.

**Intrapersonal Conflict:** This type of conflict is psychological, it involves the thoughts, values, principles and emotions of the individuals. It is quite difficult to handle, as it can cause depression. The solution is to let go of anxiety. This type of conflict can be experienced when someone has just been laid off suddenly from the place of work.

**Interpersonal Conflicts:** This refers to the conflict between two or more individuals, as a result of differences in temperament which usually result from incompatible choices and opinions.

**Intragroup Conflicts:** In this type of conflict, individuals within a group disagree on issues. Also called infighting. Usually between two or more members of the same group or team, relating to disagreement or misconceptions between individuals within a group, such as a project team. Normally, members of a group share common goals or other identifying characteristics. Intragroup conflicts can be small-scale, such as within a workplace or large-scale, such as between members of a population group.

**Intergroup Conflicts:** This type of conflict occurs when misunderstandings arise among different teams within an organisation. Intergroup relations between two or more groups and their respective members are often necessary to complete the work required to operate a business. Many times, groups inter-relate to accomplish the organisation's goals and objectives and to achieve this, sometimes the friction may lead to conflict.

\(g\) Industrial Conflict

An organisation is made up of management and a labour workforce. To administer such organizations, both parties, management (employer) and the labour workforce (employee) have to work together for the success and survival of the organisation. Industrial conflict occurs when employees express their dissatisfaction with management over the current state of the management-employee relationship. The causes of such dissatisfaction are typically matters related to regular wage payment, wage increase or remunerations according to terms of the employment contract.

**Causes of Industrial Conflicts:** It is not easy to identify a single factor as a cause of industrial conflicts, as multifarious causes blend to result in industrial disputes. The causes are many and varied. The major ones are related to wages, union rivalry, political interference, unfair labour practices, the multiplicity of labour-laws, economic slowdown, etc. They can be categorized as industrial factors, management's attitude towards workers, government machinery and matters of discipline.

\(h\) Types of Industrial Conflicts

When all efforts to settle industrial disputes by established procedure fails. Employees can express such dissatisfaction in formal or informal ways. Formal methods are organized and are planned, while informal ones are spontaneous and unorganized, usually taking management by surprise. There are different types of formal and informal industrial conflicts, but the most common of them are strike and lock-outs.

A few of these techniques of industrial action will be discussed.

**Strike:** It is the weapon that is ultimate and often most potent available to the collectivity of employee when collective bargaining between the union and management breaks down. It occurs as a result of fundamental maladjustments, injustices and economic disturbances. Strikes are temporary cessation of work by a group of employees to express grievances or to enforce demands concerning changes in work conditions. It can come in form of employees temporal withdrawal of services, contrary to an employment contract. It is a formal form of industrial conflict that is usually organized by a trade union. During typical strikes, trade unions ensure that there are no alternative means of getting the services that employees have refused to provide. Usually, strikes continue until management addresses the matter of dissatisfaction that led to it.

**Lockout:** This is a type of stoppage made by employers in dispute situations. It is a weapon that can be used by the employer to shut down the factory until workers resume work on the conditions formulated by the employer. It is utilized in a manner that forces the employee to yield to the pressure exerted by the employer. Lock-out includes the closing of a place of employment by an employer, the suspension of work by an employer, or a refusal by an employer to continue to employ employees, to compel the employer's
employees, or to aid another employer in compelling the employees of that employer, to accept terms or conditions of employment. Lock-outs normally occur when economic activities are slowed down. It is used to put psychological pressure on the work-force to make them agree to the conditions led by the employer or face closure of the work premises. The closure should be temporal, the element of demand must be present, and the intention to re-open or call the workers back if they accept the demands. Again, the employer and employees must be engaged in an industrial process carried on in an institution within the ambit f the law.

Gherao: In this process, a group of workers start collective action to prevent members of the management from leaving the premises this is done through the act of surrounding the premises. Gherao is a word originally from Hindi, it denotes a tactic used by labour activists and union leaders in India, it is similar to picketing. Usually, a group of people would surround a politician or a government building until their demands are met, or answers given.

Picketing: In picketing, employees display signs, banners and placard to demonstrate the dispute; they also try to prevent others from gaining access into the workplace, persuading them to join in the strike. In doing this the workers also draw public attention to their cause.

Work-to-Rule: An industrial action where, in contrast to a strike, workers do not withdraw their labour, instead, they stay on their jobs but drastically slow down the operations by punctilious adherence to a narrow interpretation of work rules included in the collective bargaining agreement, it is a form of protest in which employees do exactly what is stated in their contracts, and nothing more, to make the management uncomfortable. A work-to-rule is seen as a way to protest against low pay or bad working conditions. The employees at such time, deliberately refuse to make use of their initiative and act rigidly, like pre-programmed machines. Since this does not go against any formal terms of the contract, it rarely attracts punishment. However, it naturally slows down work progress and affects the management and the organisation.

Absenteism: This is a habitual pattern of absence from a duty or obligation without good reason. Generally, absenteeism is unplanned absences. It has been viewed as an indicator of poor individual performance, as well as a breach of an implicit contract between employees and employers. Absenteeism is classified under the informal form of industrial conflict, it can occur when employees deliberately refuse to report to their workplace. It is not always a sign of industrial conflict since employees can fail to report to work due to injury or illness, but it is not a welcome act because it increases the loss of productivity and revenue that an organisation suffers due to the failure of workers to report for duty, due to reasons of personal incapacity that they sometimes cannot help.

Sabotage: This is a deliberate action aimed at weakening a polity, effort or organisation through subversion, obstruction, disruption or destruction. It is another form of informal industrial conflict that occurs when employees deliberately damage their organisation's production or reputation. This could take the form of slowing down production, temporarily disabling machinery, direct destruction of the organisation's property or slandering the organisation. Employers who engage in sabotage (saboteurs) usually hide their identities, but do not shy away from identifying themselves as a pressure group.

Boycott: A boycott is an act of voluntary and intentional abstention from using, buying, or dealing with a person, organisation, or country as an expression of protest, usually for moral, social, political or environmental reasons. The noun boycott is the protest itself. This noun comes from the name of Charles C. Boycott, an English land agent in 19th century Ireland who refused to reduce rents for his tenant farmers. As a result, the residents did not want to have any dealings with him. Boycotts are an effective way to use your spending of resources/money to affect change.

In summary, the coming together of people makes conflict inevitable in organizations. Conflicts cannot be ruled out in any organisation involving people who work together. This is underscored by the varying interest of employers and employees. The interest of the employers is “Productivity”, while that of the employee is “Satisfaction”. Conflict in itself is not a problem as noted by many scholars, it is when conflict lingers, is poorly managed or when it becomes intractable or unresolved that it becomes a problem. Therefore, conflicts have both positive and negative sides.

Some of the positive bearings conflicts have on organizations are, they can bring problems to the fore, get them addressed and proffer solutions. This positive bearing sensitizes the management of an organisation. Conflicts can also lead to innovations, social changes and justice. These are achievable because better approaches, ideas and methods of operation are devised. This, in turn, leads to new and better results due to deviation from the status quo.

Conflicts also provide the opportunity of developing the 'whole person'; so that they can possess the capability to reflect, project, and take appropriate actions. This can serve as a mirror that projects the true inward picture of the person with regards to his/her strengths and weaknesses. The conflict could provide an opportunity for actual self-assessment and movement forward if the required change is embraced. One other provision is that conflicts provide a channel for releasing emotion, anxiety and stress that have been
pilling-up. Such emotions, anxiety and stress that led to apathy and unethical work behaviour on the side of both parties are released when there are conflicts. In the end, conflict help to build cohesiveness among people by sharing and participating in the conflict, celebrating its settlement, learning more about one another, and building on the lessons learnt.

Conflicts when poorly managed or become unresolved may lead to wastage of time and energy, the working time and energy of executives and managers are wasted while conflicts last. Valuable time and energy that could have been invested in productive activities for the organisation are lost and productivity hampered. Conflicts breed stress for the whole organisation, management and employees suffer, the brain and body are unnecessarily overworked while the conflicts last, the morale of workers would be affected negatively which may lead to emotional stress for the workers, as a result of a prolonged period of conflict resolution, the employees may engage in dangerous and inappropriate behaviour e.g. hatred, name-calling, fighting and destruction of properties.

Unresolved conflicts could lead to more and continued conflicts: the situation may become complex and assume very dangerous dimensions with negative cost implication that could be damaging to the organisation. It may bring a probable large financial drain on an organisation; working activities disturbed, facilities and equipment may also be affected, personal emolument of the employee still paid and sometimes withheld, everyone is affected.

An unresolved conflict that is not properly managed and continues to festers in an organisation can lead to a higher court. Through a trial. The decision is made by applying the relevant norms and rules, envisaging the situation if an agreement is not reached, or repeating of the agreement already attained.

**Mediation:** This is the use of the courts and the civil justice system to resolve legal controversies. Specific rules of procedure, discovery and presentation of evidence must be followed. Litigation is begun by filing a lawsuit in a court. It can be used to compel the opposing party to participate in the solution. The parties involved are unable to agree on how to settle the case, either the judge or a jury will decide the dispute through a trial. The decision is made by applying the facts of the case to the applicable law. The verdict or decision can conclude the litigation process and be enforceable; however, the loser can appeal the decision to a higher court.

**Arbitration:** This is the submission of a disputed matter to an impartial person, just like in mediation, there is a third party, but unlike in mediation, this third party has the power to render a decision, usually called an award. Arbitration is usually or typically an out-of-court method for resolving a dispute. The arbitrator controls the process, listens to both parties and makes a decision, which is expected to be binding on the parties involved. Like a trial, only one side will prevail. Unlike a trial, appeal rights are limited.

**Conciliation:** This strategy always has a conciliator who communicates separately with the parties and allows them to develop their own proposed solutions. It is a situation/process by which representatives of the employees and employers are brought together before a third person (the conciliator) or group of persons (board of conciliators) to convince them to end the deadlock by mutual discussion.

**Negotiation:** Fisher (2000), defined negotiation as a structured process of dialogue between conflicting parties about issues in which their opinions differ. This is one of the most basic means of settling differences. It involves going back-and-forth communicating between the parties of the conflict, trying to find a solution. Negotiation allows you to participate directly in decisions that affect you, in the most successful negotiations, the needs of both parties are considered. A negotiated agreement can become a contract and be enforceable. Negotiation is a conflict resolution method that was used to settle the boundary conflict between Nigeria and Cameroon, where the African Union (AU) and the United Nations (UN) through the International Court of Justice (ICJ) played major roles in resolving the dispute without war and its concomitant effects.
Collective Bargaining: Bargaining takes place between an employer and one or more workers of an organisation. It is a method to determine the working conditions and terms of employment through negotiations. The negotiation process helps the two sides to reach an agreement. Collective bargaining is the fundamental principle on which the trade union system is based. It is meant to be a good-faith process between an organisation’s management and a trade union representing its employees for negotiation of basic employee’s issues and other matters of mutual interest. It is useful to both parties; to the management, this process usually presents one set of people to negotiate with; to the employees, it gives greatly enhanced bargaining power. It does not necessarily require either side to agree to a proposal or make concessions but does establish procedural guidelines on good-faith bargaining. This method is very effective for solving industrial conflict and is a partnership relationship.

Allocating: In this method, conflict is resolved by the government. The government does this by directly intervening in the affairs of public organizations. It is not a partnership relationship because the government steps-in by determining the term of reference for resolving such a conflict. This method is more autocratic and mostly used by military regimes.

Adjudication: This is a strategy whereby panels are constituted to resolve conflicts and the findings of the panel (usually in form of a white paper) are used as the term of reference for resolving conflicts. It is done through the court system.

Repression: This method is closely linked with oppression. Just like allocating, it is an undemocratic way of resolving conflicts. It is autocratic and oppressive. This method can adopt the use of assassination, detention, arrest, tactful elimination etc.

Submerging: This process involves the development of an initiative to overcome conflict. It could be in the form of the introduction of a new programme, developing higher goals, refraining perception and the use of preempting measures.

Opting out: This is a method whereby the aggrieved party steps down and withdraws from negotiation with the other party. It is sometimes seen as a defeatist attitude, but it is a very good strategy for ensuring peace.

III. MODELS OF LABOUR-MANAGEMENT RELATIONS

a) Guest Model of Labour: Management

Guest (1989) developed what can be viewed as a prescriptive theoretical framework that reflects the general view that a core set of integrated labour management practices can achieve superior individual and organizational performance. Guest prescribed six components in his model. A set of labour management strategies; A set of labour management practices; A set of labour management outcomes; Behavioural outcomes; Several performance outcomes and financial outcomes.

Guest’s model acknowledges the close links between labour management strategy and general business strategies: differentiation, focus, and cost-effectiveness strategies. The core principle of the model’s hypothesis is that labour management practices should be designed to lead to a set of labour management outcomes of high employee commitment, high-quality employees, products, and services, and highly flexible employees. Guest views high employee commitment as a vital labour management outcome, concerned with the goals of binding the employees to the organisation and obtaining behavioural outcomes of increased effort, cooperation, involvement, and organizational citizenship. The central hypothesis of Guest’s model is that if an integrated set of labour management practices is applied coherently, with a view of achieving the normative goals of high employee commitment, high-quality assurance, and task flexibility, the result would be a superior individual performance.

IV. FOMBRUM, TICHY AND DEVANNA MODEL OF LABOUR MANAGEMENT

The Fombrum et al model emphasizes the interrelatedness and coherence of labour management activities. The labour management cycle, according to this model consists of four key constituent components, including selection, appraisal, development and rewards. These activities are aimed at increasing organizational performance. The model has however been criticized for the fact that it appears to have ignored different stakeholder interests, situational factors, and the notion of management’s strategic choice.

V. BEER, SPECTOR AND LAWRENCE LABOUR MANAGEMENT MODEL

This model is termed the "Harvard Model". It was developed as a result of the shortfalls in Fombrum’s model. The model emphasizes the analytical framework which consists of six basic components:

i. Situational factors, which influences managements’ decision on a labour management strategy;

ii. Stakeholders’ interest, which recognizes the importance of trade-offs, either explicitly or implicitly, between the interests of owners or stakeholders and those of the employees and their unions;

iii. Labour management policy choices, which emphasise the fact that management’s decisions and actions in the management of labour can be fully appreciated only if it is recognized that such
decisions and actions result from the interaction between constraints and choices;
iv. Labour outcomes, reflecting high employee commitment to organizational goals and high individual performance leading to cost-effective products or services, assuming that employees have talents that are rarely fully utilized at work and they indicate the desire to experience growth through work;
v. Long-term consequences, which distinguishes between three levels: individual, organizational, and societal levels. At the individual employee level, the long-term consequences comprise the psychological rewards workers receive in exchange for their efforts. At the organizational level, increased effectiveness ensures the survival of the organisation. At the societal level, some of the society’s goals (employment and growth) are attained as a result of full utilization of people at work; and
vi. The feedback loop through which the outputs flow directly into the organisation and to the stakeholders.

VI. BENEFITS OF LABOUR-MANAGEMENT RELATIONS

The following are some of the benefits of labour-management relations.
i. Harmonious Relations
ii. Effective Communication
iii. Industrial Peace
iv. Productivity and Organisational Effectiveness
v. Reduction of Industrial Actions
vi. Organisational Stability
vii. Change Management
viii. Legal Representation
ix. Physical Facility

VII. CONCLUSION

A cordial relationship between labour and management as human factors in an organisation is necessary for the smooth running of any organisation. Labour-management relations cannot be overemphasized as long as conflicts/disputes occur in an organisation. A well-established relationship between the workforce (labour) and the management of any organisation will promote harmony in the organisation thereby enhancing productivity and organizational efficiency at all levels.

REFERENCES RÉFÉRENCES REFERENCIAS