Minimise conflict in industrial relations

Overview

It is almost inevitable that conflict will arise in workplaces, over the most trivial to most difficult and challenging issues. Such conflict can be minimised by creating an environment where communication is encouraged and grievance procedures exist, are utilised and respected. It is important to have effective communication throughout the organisation and to monitor the workplace so that potential conflict is more quickly identified and resolved. Such strategies can help to avoid dissatisfaction and low morale which often underlie conflict.

Key terms

Grievance procedure
A formal procedure that enables employees to know when and how to air their grievances.

Workplace culture
The shared values and beliefs of the employees within a particular workplace.

Industrial conflict

Employers and employees often have different objectives, and inevitably this may cause conflict in the workplace. However, steps can be taken to reduce this potential by developing a culture where communication is encouraged between the organisation’s management team and employees.
Types of industrial conflict

*Industrial action*

Strikes are the most visible form of conflict and create the most impact. The Australian Workplace Relations Act 1996 recognises the legitimacy of industrial action during the course of enterprise negotiations. In this instance, industrial action includes any worker activity that restricts or delays work, such as:

- bans, where employees decide not to perform certain activities
- work-to-rule, where employees only perform the tasks that are stated within their job description
- go-slow campaigns, where employees dramatically slow down the pace of their work.

*Absenteeism*

The most common way employees respond to unsatisfactory working conditions or a stressful work environment is through absenteeism. A high level of absenteeism can cost the organisation significantly. The two types of absenteeism are:

1. involuntary absenteeism, mostly due to illness
2. voluntary absenteeism, which may be due to a variety of reasons such as the individual’s attitude to work, their personal level of job satisfaction or organisational issues, such as stress, conflict, and the nature of their work.

*Labour turnover*

Absenteeism and labour turnover are related, as they are both forms of withdrawal from the organisation. Absenteeism is a temporary withdrawal while turnover is permanent. Often a person’s dissatisfaction with his or her job begins with absenteeism, which progresses over time, combined with an increasing sense of dissatisfaction, resulting in a decision to leave that company.

Strategies to address industrial conflict

*Strategies to address industrial action*

Strategies to reduce industrial action include:

- developing a culture that encourages communication between employers and employees
- developing a formal, trusted grievance policy to help quickly identify grievances and potential sources of conflict
• developing a more positive relationship between employers, employees and their respective unions.

Strategies to address absenteeism

Strategies to manage absenteeism include:
• allowing supervisors more flexibility and discretion in the absence of management
• providing opportunities to employees to multiskill or job enlarge
• providing opportunities for employee participation in areas such as decision-making, fair treatment and job security
• improving communication between employers and employees so that employees understand the tasks they are expected to do at work
• providing employees with a career path and promotional opportunities
• improving the relationship between management, unions and employees.

Strategies to address labour turnover

Strategies that employers can use to manage labour turnover include:
1. encouraging organisational commitment through the use of reward and recognition programs, career paths and reducing work-related stresses
2. providing applicants at their interview with a clear idea of what the job will involve
3. initiating methods to improve the level of job satisfaction through, for example, multi-skilling and job enrichment
4. providing competitive wages and benefits packages.

Ideally, for performance gaps to be closed, the concept of mutual commitment needs to be implemented.

Think

Within the organisation for which you currently work, or one for which you have been previously employed, think of the methods that employees use to express their dissatisfaction with their job.
Mutual Commitment practices

Mutual Commitment is another strategy that can help to eliminate industrial relations issues within the workplace.

This strategy is aimed at three areas:
1. recruitment – the organisation aims to attract highly committed, flexible employees
2. internal culture – rewards commitment and training with promotion and job security
3. internal communication – constant improvement through methods such as team briefings.

The underlying reasoning for this practice is to recognise the needs of the employee, leading to their increased commitment to the organisation, which enables the organisation to achieve its objectives.

High Commitment practices include:
- career ladders and progression available to all employees
- long-term training budgets
- a system of teamwork
- flexible job descriptions
- jobs designed to utilise a full range of employee skills and abilities.

Monitoring the workplace to minimise dysfunctional conflict

There are many potential causes of conflict or grievance within organisations. These include those relating to the Certified Agreement or Australian Workplace Agreement.

In most industrial relations implementation plans, organisations address industrial issues that are likely to cause conflicts or grievances within that company. For example, many implementation plans concentrate on issues such as multi-skilling, job enhancement and career progression. Under the requirements of the Australian Workplace Relations Act 1996, organisations must establish a formal grievance policy. The emphasis of the Act is for workplaces to resolve their grievances internally; however, the AIRC is usually sourced in cases of industrial action.

Strategies to monitor the workplace so that conflict can be identified and resolved quickly include:
- formal grievance policies and procedures
- effective communication channels
- effective relationships between employers and employees
- training and professional development for supervisors in effective conflict resolution techniques.
Formal grievance policies and procedures

To be effective, formal grievance policies must be supported by both employers and employees. They must resolve grievances within a specified time period, and all grievances must be taken seriously. Matters must be dealt with in strict confidentiality and supervisors should be trained in this.

Effective communication channels

A variety of approaches can be taken to improve communication channels. These include:

- regular formal staff meetings
- an ‘open door’ policy, where all employees are confident that they can approach senior managers at any time
- providing information to all employees on the latest happenings within their workplace (e.g. via a newsletter given out with pay slips, or a company website).

Effective relationships between employers and employees

Creating effective relationships between employers and employees is a complex area and may require changing the corporate culture of an organisation.

The idea is to improve relationships so that:

- conflicts or grievances can be more easily discussed
- employees feel more comfortable approaching their supervisor or another supervisor about issues of concern
- employers are more easily able to identify potential sources of conflict or grievance
- morale among workers increases.

Training and professional development for supervisors in effective conflict resolution techniques

Conflict resolution is an important skill in today’s industrial relations environment. The focus is now to resolve issues within the workplace, with referral to outside agencies, such as the Australian Industrial Relations Commission (AIRC), only taking place in extreme circumstances.

Think
Remember a time when there was potential for conflict in your workplace.

What were the reasons for this and how was it resolved? Was there anything you think could have been done differently?

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**Reviewing conflict management procedures**

It is important to regularly review your organisation’s conflict management procedures.

**Timing of reviews**

*After a conflict has been resolved*

Most managers will review their company’s procedures after they have been used to resolve a conflict.

Areas to be examined will include:

- the level of effectiveness of their policy
- the clarity of wording – was the policy easy to understand and interpret?
- accessibility – was the policy easily accessed by both employers and employees?
- timing – was there a time limit given for each of the steps involved in the conflict procedures?
- expertise – did the organisation have experts available in the area of conflict management?
- the level of training provided to managers on conflict resolution – does the organisation need to update these skills or provide additional training (eg mediation skills).

*New or renewed agreements*

The other occasion when conflict management procedures may be evaluated is when agreements are being drafted or renewed. During this time, all parties involved (ie employee(s), union(s) and employers) may wish to examine the conflict management procedures to ensure that they meet their needs.
Senior management support

It is important that the conflict management procedures developed and used within the organisation have the full support of the senior management team. They must be seen to be proactive in the area of ensuring that all grievances or conflicts are dealt with seriously by a trained staff member.

The senior management team must lead the way by providing all of their staff, not just the managers, with opportunities to access training and professional development in conflict resolution procedures.

It is essential that the conflict management procedures are clearly communicated to all staff as part of the overall procedure of implementation. The executive officer should, if possible, be the person to communicate these new policies as part of the overall improvements made to the organisation’s industrial relations policies and procedures.

It should be portrayed to all staff as a positive measure. They should also be made aware of how they can access these policies both in their induction and through regular communications, such as via written statements given to all staff with their pay slips, articles in a newsletter or through the organisation’s website.

Union involvement

Often, when compiling the organisation’s conflict management procedures, the involvement of the unions in either drafting the procedure or reviewing a working draft may ensure that they support the conflict management process and help to ensure a future positive working relationship.

Legal issues

The legal requirements of all procedures need to be examined by the company’s legal representatives to ensure that they will stand up to close scrutiny, should an issue be taken to either the AIRC or court.
Think

In your own workplace, how do employees receive information about such things as conflict management or grievance procedures?

How are you kept informed about changes and developments in the organisation?

Could the manner of communication within the organisation be improved and if so, how?

Parts of this resource are adapted from Open Learning Institute (2003) Learner's Guide BSBHR504A TAFE QLD; used with permission.