

Employer/employee Relations—Trade Unions and ACAS

Specification requirement— Changing working practices and the role of trade unions. Industrial action. Methods of resolving disputes and the role of ACAS.

What are Trade Unions?

Trade unions were originally organisations that represented workers in a particular trade, industry, or occupation, but as traditional trades declined, trade unions adapted so that their members could come from a whole variety of different occupations—this type of trade union is a 'general union'. Trade Unions have played important roles in protecting workers from exploitation by management and improving working conditions and pay. All sorts of occupations are represented by trade unions including manual and professional workers. Their purpose is to protect and improve their members' terms and conditions of employment. An individual worker alone has very little power to influence decisions, but by joining together, workers have more chance of having a voice and influence. Trade unions also campaign for laws and policies which will benefit working people.

Trade unions are financed and run by their members. Almost every working person has the legal right to join or not to join a trade union. The law provides protection for anyone refused a job, dismissed or made redundant on the grounds of being a member of a trade union.

There were though periods in the 1970's when Trade Unions seemed to run the British economy. Strikes dominated the headlines and the country was at times paralysed by in-

dustrial action. Managers seemed unable or unwilling to stand up to union power. In many large businesses there was simply no working relationship between managers and workers representatives. It was only through the introduction of legislation in the 1980's that restricted the power of unions, that improvements in industrial relations became possible.

It is justifiable to say that many of the activities of Trade Unions, that were prevalent in the 1970's, resulted in inefficiency, fear of change and a paralysed management. The picture in the early 21st Century though is very different, with managers and workers forming partnerships, working together towards the long-term success of their business, even trying together to adapt to falling demand patterns as the recession bites.

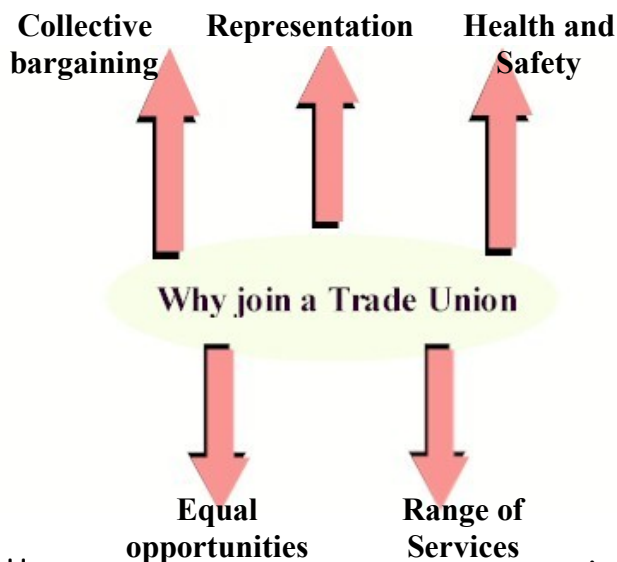
Why do people join unions?

People join trade unions for a number of reasons. These reasons include:

Representation. The most popular service a union provides for its members is representation. This means that unions represent members faced with redundancy, grievance, disciplinary procedures and legal action.

Collective Bargaining. Trade unions also represent members in negotiation of pay and conditions with employers. This is known as 'collective bargaining', and benefits both workers and employers. About half of the work force is covered by collective bargaining arrangements. Much collective bargaining

takes place quietly and without serious confrontation.



Collective bargaining assists employers because it simplifies the process of negotiating with workers. Negotiation does not have to be done on an individual basis, but through a representative of a large section, or even the whole, of the work force. Trade Unions can also help ensure that agreements are put in place by workers, and can assist with communication to workers. It is also argued that trade unions are able to take a longer term view than individuals and are therefore able to see why difficult decisions have to be made. Individual workers may be blinded by short term desires (keeping their job or improving their pay), making agreement less likely.

Health and Safety. Another important function of trade unions is the provision of a network of health and safety representatives in Britain's workplaces

These people work with employers to develop employment practices that not only protect employees, but also prevent major losses for employers through sick leave, lost production or claims for compensation.

Equal Opportunities. Trade unions have played an important role in supporting the development of equal opportunities policies.

Most large companies and many smaller ones now operate policies which attempt to eliminate discrimination at work. Trade unions have not only supported their members who have been discriminated against, but also helped the work force to understand the policies

Other Services. Union members can benefit from a wide range of services which are not directly related to the workplace. These include financial, legal and welfare services.

The Role of Trade Unions in Industrial Disputes.

When disagreements between employers and employees occur, they need to be sorted out fairly, since good industrial relations contribute to the smooth running of business. Disagreements can occur over a very wide range of topics. These include wages, hours and conditions of work, the introduction of new machinery, new work rotas, overtime, job losses, health and safety, and equal rights. Members of unions who have a grievance against employers will approach their local union representative, the 'shop steward', to try to sort out the problem. In many cases the shop steward in negotiation with employers is able to resolve the problem to the satisfaction of both sides.

Where an agreement cannot be reached straight away, trade union officials may be consulted. Sometimes there is already a national agreement in place which the employer and employees must stick to. On the whole, differences are more often than not sorted out without any industrial action being taken.

However, there are occasions when the two sides cannot agree. In these cases, a trade union can use a number of strategies before calling a strike. Strikes are often in the news, but they are rare in most workplaces. Many more working days are lost through work-related

sickness than through strikes. The first tactics might be an overtime ban, a work-to-rule, or a one-day stoppage. An all-out strike is called as a very last resort. Both sides have much to lose. Sometimes an outside body is called in to arbitrate during the negotiations. The Advisory, Conciliation and Arbitration Service (ACAS) is often used to help find a solution which is acceptable to both sides.

Industrial action can take the form of:

Work to rule - sticking to the letter of job specifications, contracts and Health and Safety regulations, this will slow work and reduce output.

Overtime ban - again a reduction of output is achieved, this can be most effective if a firm is under pressure to finish orders.

Strike - withdrawal of labour, normal only results when all other remedies have failed, or the employers have created a situation where the union members feel they have no choice but to strike.

There is no doubt that the British record on industrial action has improved dramatically over the last 20 years, there is much more of a partnership relationship between employers and employees, and the growth of Single Union Agreements, and no-strike agreements have helped limit workplace disruption.

Single Union Agreements

An agreement to recognise just one union as the only trade union that owners and managers negotiate with. It is expected that most or all employees in the workplace will be members of the single union, but they do not have to be, they can join another union or not be a member of any Trade Union.. Occasionally an established company has changed from multi-union recognition to single union, but

single union deals are commonly associated with new large scale investments or greenfield site plants, where management after negotiation with maybe 2 or 3 different unions, selects the union it prefers to deal with and this union will be the only one recognised (negotiated with) in the workplace. A single union deal offers managerial advantages in terms of a simplified bargaining and negotiating structure, lack of competition between unions for members and member responsibility, and avoids problems through union demarcation, (demarcation - only members of specific unions being able to carry out specific jobs). Removal of demarcation issues have created a much more flexible workforce. A number of unions have signed single union deals although competitor unions are often unhappy about loss of actual or potential negotiating rights. A number of single union deals have been negotiated along with no strike agreements

No-Strike Agreements

A no-strike agreement exists when there is a formal understanding between an employer and a union that the union will not call its members out on strike. A no-strike agreement is usually won by the employer in exchange for improved terms and conditions of employment, including pay, and sometimes guaranteed employment. The no strike agreement usually lasts for an agreed amount of time, say 3 or 5 years, and is then renegotiated.

How do Trade Unions Benefit Employers?

There are strong arguments for union recognition put forward by both sides in industry.

Trade unions can benefit employers in several ways. The most important of these are:

- Trade Unions can take a longer term and broader view, than individuals. This means that when difficult decisions have to be faced, such as redundancies, TU's are able to look at the future of the majority and help sell solutions to the entire work force.
- Trade Unions can ensure that agreements made are implemented by the work force.
- Trade Unions simplify the negotiation process. One set of negotiations rather than many individual negotiations.
- Trade Unions have long experience of the industries that their members work in. There are times when TU's knowledge and understanding can assist employers. This is one of the arguments behind worker democracy

The modern Trade Union can work in partnership with employers, they can bring benefits to employers both in their relationships with employees and by influencing government policy in regard to training, Health and Safety and related issues. To be flexible and motivated and competitive the UK work force needs to be adequately trained. Unions negotiate on the training and development of the work force, they believe in investing in people. Employers understand this, and work with Trade Unions to develop employees skills.

ACAS

ACAS is the Advisory, Conciliation and Arbitration Service. Their aim to improve business and working life through better employment relations. They help both trade unions and employers by supplying up-to-date information, independent advice and high quality training. ACAS works with employers and employee rep-

resentatives to solve industrial relationship problems and improve performance

ACAS offers a range of services designed to help individuals or groups of employees to avoid or resolve problems and disputes in the workplace. They provide a helpline offers free, confidential and impartial guidance on employment rights and workplace issues. They provide general information on employment rights and responsibilities and can also help employees and employers who are involved in an employment dispute to identify practical ways of sorting out the problem. It is ACAS' work in sorting out industrial dispute problems that gives ACAS its name.

The Advisory Role of ACAS

Employment law is complex, the advisory role is to give employers and employees a point of contact so issues regarding employment law and procedures can be made clear. Any employer or employee can contact ACAS to gain advice, or to discuss appropriate steps to take to help resolve employment issues.

The Conciliation role of ACAS

Many issues which may lead to disputes can be resolved informally in the workplace between the individual and his immediate line manager. Internal procedures should be in place to deal with more difficult cases, whilst it is widely recognised that employment tribunal action should be very much a last resort.

However, in those instances where a tribunal claim has been (or, in some cases, could be) made, conciliation is offered to both sides with the aim of settling the matter without

the need to attend a hearing. It's voluntary but both parties must agree to the process. The process involves an independent ACAS conciliator discussing the issues with both parties in order to help them reach a better understanding of each other's position and underlying interest. The impartial conciliator tries to encourage the parties in dispute to come to an agreement between themselves, and so avoid the stress and expense of contesting the issue in Tribunal.

The Arbitration Role of ACAS

Arbitration involves an impartial outsider being asked to make a decision on a dispute. The arbitrator makes a firm decision on a case based on the evidence presented by the parties. Arbitration is voluntary, so both sides must agree to go to arbitration; they should also agree in advance that they will abide by the arbitrator's decision.

Arbitration is often used in collective employment related disputes. For example, a trade union might be in dispute with an employer over the annual pay rise. The union could agree with the employer to ask ACAS to appoint an independent arbitrator from their panel of arbitrators to hear the two sides' cases and then make an independent and impartial decision. Arbitration can also be used to settle individual disputes. For example, an individual and an employer might decide to go to arbitration to avoid the stress and expense of an Employment Tribunal.

Notes