

An Assessment of Industrial Relation in Public Organization; from the Perspective of Labor–Management Relation: In case of Ethiopia Electric Utility of Ambo Branch Distribution System

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The main objective of the study was to assess Labor–Management Relation in public organization. Qualitative and quantitative research approach would plan to use. In this study census type of sampling method was used. Both open and closed ended questionnaire were used as data collection instruments. In addition to the questionnaire, interview was used to gather the data. The main emphasis of this study was in related labor-management such as labor management relation atmosphere, the causes of labor-management conflict, how the employees respond when facing labor-management conflict, How the labor-management grievance procedure effectiveness is evaluated at the end the effectiveness of grievance management in terms of satisfaction measured through speed and involvement. The results of the study shows on these variables were concluded. Employees with their managers have at most a good relationship each other. Support to the labor-management relations is good. In the organization the employees have a document that specifies employee employer's relation there is conflict within the organization which is mainly caused by interest differences between employees and their manager. Employee's grievance presentation mechanisms in the organization are directly to their managers. Employee's productivity and performance are highly affected by the conflicts that arise between them and their managers on average. In general the finding of the study shows that the organization is practicing in average good in labor-management relation.

Key Words: Industrial relation, public organization, labor, management

Introduction

The Employment relationship was a mutual, voluntary arrangement between two parties. The employer which might be a corporation, some other form of entity or an individual voluntarily agrees to pay the employee in exchange for the employee's work. The employee who was always an individual voluntarily agrees to work for the employer in exchange for pay. In this relationship the employer's obligations include the duty to pay salary or wages, provide a safe workplace, to act in good faith towards the employee and not to act in such a way as to undermine the trust and confidence of the employment relationship. The employee has corresponding obligations, which include obedience, competence, honesty and loyalty (Cooper et al, 2010). On the other hand the concept of industrial relations also a function of work practices (the organization of work) and employment practices (the management of people), and thus might be linked to organizational performance (company and worker outcomes). According to Cooper et al, (2010) employee relations cover a wider spectrum of the

employment relationship than industrial relations, which are essentially about what goes on between management and trade union representatives and officials.

As Armstrong (2010) expressed employee relations are concerned with generally managing the employment relationship and developing a positive psychological contract. In particular they deal with terms and conditions of employment, issues arising from employment, providing employees with a voice and communicating with employees. Employees are dealt with either directly or through collective agreements where trade unions are recognized.

Employee Relations involves the body of work concerned with maintaining employer-employee (Labor-management) relationships that contribute to

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satisfactory productivity, motivation, and morale. Labor-management relations are the interacting relations between labor (employees) and management (employers). According to Reynolds (1994), labor/management relations place emphasis on contract negotiations, grievance procedures, and discipline administration and impasse/arbitration procedures. Essentially, Employee Relations was concerned with preventing and resolving problems involving individuals who arise out of or affect work situations.

According to Dessler (2005), one of the factors that affect the productivity of an organization was quality of employees and its management relationship with them. To had these individual employees and groups of employees' passes and its management relationship with them.

To have these individual employees and groups of employees in organization must establish good working relationships with employees across origination boundaries.

Good employer and management relation creates higher living wages and adequate benefits for employees and good organization performance (Robbins, 2002). On the relationship between manager and employees, Manager should be interested in their employees' attitude because an attitude gives warnings of potential problem and because they influence behavior satisfied and committed employees, for instance had lower rates of turnover and absenteeism. Given that managers want to keep resignation and absences down-especially among their more productive employees; they would want to do the things that would generate positive job attitude (Robbins, 2005). Effective employee -management relations, requires agreements, between employees and managers and the contribution of both relationships to enhance the organization activities and to satisfy customers needs by smoothly communicate each other (Robbins, 2005).

Statement of the Problem

Most theories assured the idea that effectiveness of an organization depend up on the amount and quality of the employees it posses. Leat(2011) stated that workplace was the basic foundation economy, and the ability of a business to compete worldwide relates directly to workplace performance. Leat(2011) also explained that there has been a lack of strategic thinking about what settlement for the 21st century workplace was needed. If more innovation, more creativity, better customer service, and more skills are desired, what arrangements, practices, incentives and structures (in addition to the right kinds of attitudes) would help deliver them? He informed that the

employment relationship was thus has strategic significance. The workplace labor- management relationship, therefore, has major economic implications, because it affects product and service quality, productivity and profits of firms, and the jobs and employment security of workers.

Labor-Management relation has an importance in assisting management and labor in improving their relationship so they can learn to work together on issues of mutual interest as a team instead of adversary. Labor-Management relation was concerned with generally managing the employment relationship and developing a positive psychological contact. A psychological contract represents the mutual beliefs, perceptions, and informal obligations between an employer and an employee. It sets the dynamics for the relationship and defines the detailed practicality of the work to be done.

In addition, Derek *etal* (2005) mentioned that, all jobs had the potential to be alienating, making the job holder indifferent or hostile both to the job and to the management, who are sawn as responsible for obliging the employee to continue doing the job. An employee relation was largely concerned with preventing or alleviating that type of alienation. Because the issues are often collective, concerning a number of people in a similar situation, many procedures incorporate the recognition of trade unions and ways of making that recognition productive for both parties.

According Desseler (2005) among labor-management relations' objectives are: increased productivity; enhanced worker efficiency; the establishment and promotion of an industrial democracy; the elimination or reduction of the number of strikes or lockouts via the provision of reasonable wages, enhanced living and working conditions and certain benefits; the improved economic conditions of workers in the existing state of industrial managements and political government. Dessler (2005) also declared that, good labor-management relations had a significant role on the productiveness and performance of an organization in addition to the quality of manager's leader ship and well planned organizational structure .

Objects of the study

The general objective of the study was assessment of Employee –Employer (labor /Management) relation practice in Ethiopian electric utility Ambo branch. The specific objectives of the study are:

- a) To assess nature of labor -management relationships in the organization.
- b) To evaluate grievance handling procedure in the organization.

- c) To assess employee assistance program applied in the organization.
- d) To examine the guaranteed treats in the organization.
- e) To identify caused of employee management conflict in the organization.

Significance of the study

This research has significant role in helping the organizations staff to clearly understand the idea of employee- employer relationship and its various important on productivity of the organization. Hence the study was help for to the organizations management that it allows the management to saw some missed issues. Generally, the significance of the study would be enabling Ethiopian electric distribution system Ambo branch might know unrecognized problem on management relation with their employer and take action over the element to minimize the later effect. This study would benefit the organizational authorities to take corrective action and improve organization policy.

Literature Review

Concept of Labor-Management Relation

When an employer hires a new employee, He/she not just bringing a new member of the ware force abroad, He/she is also starting a new relationship, because employers and employees often work in close quarters they necessarily develop relationships, managing these relationship is vital to business success, as strong relationships can lead to greater employee happiness and even increased productivity. Employer's employees' relation refers to the communication that takes place between representatives of employees or employees by them serves and their employers. Much of the employee relations involve employees and employers working to gather (Gilbert 1998).

The employer and employee relationships should be mutually respect full-the degree of cases in the relationship will depend on both the employer and employee. Some employer opts to keep their employer at a distance and, in doing so, ensure that there is no confusion as to the hierarchy that exists between them. Others elect become friend lies with their employees, seeking this as away to amp that exist between them. Others elect to become friend lies with their employees, seeing this as a way to up employee happiness (Joseph, 2002).

The impact of the employee-employer relation has an organizational practice different in accordance with, the type of relationship that exists between employee representatives and organizational

management. In organizations that employ people and skilled laborers, the relationship between labor and management is often amicable because employers have been conditioned to expect union representation within the trades. In other organization the relationship between management and labor is strained, particularly during contract negotiations when neither party want to make concessions, likewise, the relationship between the employee and their employers largely depend on the ability of employees and management to wore to tether, (Noel, et al, 2009, p 624-667)

Communication in organization

Employee /labor/ relation activities including communication systems through which employees can address their problems and grievance the purpose of communication program are decide to keep employees abreast of what is happening in the organization and knowledgeable. Building effective communication involves few fundamental elements. Organizational communication as briefly stated in many organizations its one of an incredible source of success in most large organizations. The line of communication are vertically linked /lastly to management hierarchy the emphases in the sensations is on down word communication by representative group weather communication channel are vertical, horizontal or both decision must be made about method of communication to be used. (Harris, 2003) effective on performance. Human relations affect individual and group behavior and the result effect on organizational performance. (Robert, 2005 P, 229).

Employee discipline

Discipline is the way of training someone so that they learn to control their behavior and obey rules. Discipline is a procedure that corrects or punishes subordinate because a rule or procedure has been violated the purpose of discipline is to encourage employees to be have sensibly at work when sensible behaves is defined as adhering to rules and regulations. (Dressler:1994-pp: 597-599).

Employee's right to work

The term "right to work" is terms that refers to one employees right to work in certain states without being required to join a union or pay union dues. Labor union cans tell represent works in right to work states; however, the level of labor union representing in right to work states it generally lower than it is in states where there aren't right to work laws. (Gomez, 2004).

Employee Assistance Program

Assistance program: - as with any relocation the overseas transfer requires a lot of expenditure for the formally of employees some of the assistance program that commonly offered includes, Households good tipping and storages ,Home sale or rental protection ,Automobile protection, Temporarily leaving expenses travel ,Special emergence return leaves ,Education allowance for children and etc. (Decenzo and Robbins 1999-p 345.) Compensation and Employee Benefits: - the goal of compensation is to design there are how components of compensation. There are financial compensation and non-financial compensation.

Grievance procedure

Apportion of most labor an agreement is devoted to grievances procedure. It contain the means where by employees can voice dissatisfy faction with and appeal specific management action also included these solution are procedure that must be followed. The procedure varies considerably between organizations. The most common strife is as follows: The employee raises the grievance with employees come date supervisor grievance is not settled the employee sees representative /union steward/ where they agree that there is grievance or falls to persuade the member otherwise they both take of back to t he supervisor. If this fails to settle the matter it is taken to the next level of manager possible departmental

Reaction of Subordinates

Subordinate can manifest many possible reactions when supports employ specific type of power. Lousier (2005) has argued three are major type of reactions. Compliance: - means that strict exchange relationship is established between the superior and his subordinates so that they do exactly what is asked of them, but not much else. Commitment: - is the process when by t he subordinates are willing to go well beyond the actual directives of readers to make an organization effect. Commitment subordinates are those willing to put in extra effort on a project to stay late without being part over time. Resistance- is likely reaction when corrective power is issued. As general rules, subordinates do not enjoy being punished and they frequently react by activity resisting among sometimes by damaging equipment and machinery and by making the life of the manager as measurable as possible (Gannon, 1998;pp 272-283).

Management attitude towards employee employer relation

Manager attitude affects highly employee's performance and work quality. Management attitudes and they treat employees affect employees job behavior and performance. If manager have a positive attitude and expect employees to be highly productizes. A person job satisfaction is asset of attitude towards work job satisfaction affects absenteeism' sand turn over which affect performance law job satisfaction often contributes will cost tributes work slowdowns, poor product qualified employee the fit and sabotage. Job satisfaction survey a process of determining employee's attitudes about the jobs and work environment. How attitude job satisfaction affects absenteeism's and turnover which affect performance low job satisfaction often contributes will cost strikes work slowdowns, purr product qualify, employee the fit and sabotage, job satisfaction survey is a process of determining employee's attitudes about the jobs and work environment. How attitude job satisfaction self concept, values and ethics affect behavior, human relations and performance your jobs satisfaction is based in your attitude which in turn are shaped by your values and ethics your valves and ethics your self-concert is your attitude and other attitudes to word you affect you behavior human relation and performance people who have high level of job satisfaction be have well have good human relations and are highly motivated. People with positive attitude and personalities with an internal Locator Control tend to have higher level of job satisfaction and performance. (Robber, 2005; pp, 233)

Guaranteed fair treatment

Guaranteed fair treatment is an employer program that insures all employees in the organization are treated fairly by providing formalized, wall documented and highly publicized and vehicles through employees can appeal any legible issues. (Deshler: 1994: PP 596)If there is guaranteed Fair Treatments in the Organization the Employer Can the employer con passable appraise performances. And also conduct promotional and transfer programmer's performance appraisal.

It relates to the assessments of staff or managerial performance in some systematic and planned ways there are several person to appraise performance. To provide information up on which the promotion and salary decision can be mode. They provide opportunity for reviewing the employee's performance and to motivate employees (Deshler, 1994).

Research Method

The research design for this study was descriptive in type because the study was aiming at assessing labor-management the practice organization. The study used both data to collect the important information on that focus on the objectives. The main source of primary data for the study would be from employees of Ethiopian electric service distribution system Ambo branch gathered through questionnaire and interview. Employees of Ethiopian electric utility distribution system Ambo branch used as target population.

To collect the primary data through questionnaires it has been planned a sample size would be taken from all employees who are currently working in the organization by using census method. The reasons that the total population of the organization's too small. In this any to get the necessary data needed for our research the researchers had just decided to take all members (employees) as the organization. In the study both primary and secondary data would be implemented simultaneously for the purpose of collecting information for assessment of the problem. The source of primary data was from employees and manager through interview and questionnaires. Questionnaires would be used to gather definite, concrete and better information concerning the problem used under the study. In interview the researchers group needs people to discuss the problematic issue with them and during the courses of discussion he/she gathers facts. This was used when few respondents are busy or lack of understanding of the questions under study.

Descriptive analysis such as such as tables, frequency, percentage and graphics and statically analysis such as mean was used. After completion of analysis and interpretation of data, summary of the findings would be made and discussion would be drawn from the finding and finally conclusion and recommendation would be given.

Data Analysis and Discussion

In this section data collected through questionnaire from employees of the organization was analyzed. The organization Practices and Employees response regarding variables such as, Employee's Relation with their managers, Trust and Respect between labor and management, A document specifying employee employer relations policy on employee's hand, The labor- Management atmosphere Employee -Employer Relation polices clearly communicated to employees, Mechanisms to handle labor- Management Conflict , Cause of labor-Management Conflict in the organization , Grievance processes an Efficiency of

Grievance process and the Role of Employees on the Creation of Good Employee Employer Relationship.

Employee's Relation with their managers

Majority (40%) of the respondents responded that there is an excellent or very good relationship. The other 6(24%) and 5(20%) respondents also affirmed that there is very good and good relationship between the employees and their managers respectively and there is only 4(16%) of the employees responded that there is a bad condition on the enterprise generally from this item one can be stated that there is a work initiative and co-operation between the employees and the management department. According to Neol,(2009) some of the employees bad relationships with manager because of the ability of employees and manager to work to gather. Good employee management relation involves providing fair and consistent treatment to all employees. So they will be made responsible to the organization's goals. Therefore there is high possibility of productivity in the organization.

Trust and respect between labor and management

Majority of the respondents (45%) of the respondents responded that there is a strongly agree. the other 9(36%) and 6(24%) respondents also affirmed that there is agree and disagree on the trust and respect between labor and management respectively. it observed that majority of the respondent agree with the trust and respect between labor and management. The existence of trust and respect are important for their labor management relation through perform their specific work honestly and freely and accept the manager procedures of work

A document specifying employee-employer relations policy on employee's hand

Almost all (96%) of the respondent answered as there is binding labor relation policy on the organization. However 1(4%) employee responded that is no employer employee policy document in his hand. Generally, from this finding we can conclude that almost all employees in the organization has employee employers relation document in their hand. This implies employees know the policy, this are reduce conflict and enhance relationship.

The labor- management atmosphere

Majority of the respondents (60 %) responded to that the labor management relations in EEU western shoa distribution system Ambo branch are agreed on these

ideas and 12% and 8% of respondent respond disagree and strongly do agree respectively. Generally, from this finding most of the respondent responded Labor-Management of the organizations is good.

Employee -employer relation polices clearly communicated to employees

Majority most of most of the respondents (74%) responded that employees of EEU Western Shoa distribution system Ambo branch are not well communicate, Only 2(8%) respondents responded that employee employer relationship polices in the organization are clearly communicated. From this finding we can conclude that as most of the respondents respondent, employee employer relationship polices in the organization are not clearly communicated. In this instance the organization should strive to communicate this policy. According to Harris(1994) this are effect on the activities including communication system through which employees can address or express their problem and grievance.

Impacts of employee -employer relationship in increasing productivity

As it was observed from data majority of (88%) of them has just said a good relationship that exists between them and their managers have a significant Assessment in increasing their work productivity. In the questionnaires it was have given to the respondents to specify their reasons about the employees raised how good relationship their manager as follows: Through enabling to freely discuss, on any maters of the work, Good employee employer relations have a prominent role in creating good working environment, it increases productivity through unlimited flow of information between them and their managers. Therefore, positive relationship has a contribution for an organization performance.

Cause of labor-management conflict in the organization

The respondents were given their opinion about causes of Conflict between management and labor accordingly 40% of the respondents responded the causes of the labor management conflict was management style and 44% of the respondent responded that participation in decision making made a conflict. The rest 16% respondents respondent that the cause of labor management conflict can be from employees voice mechanisms generally, management style and participation in decision making is the main

cues of labor-Management conflict in EEC western Shoa distribution system Ambo branch

Mechanisms to handle labor- management conflict

Majority of respondents (88%) answered that is there is mechanism to handle labor management conflict in the organization. However 12% respondents responded there is no mechanism to handle the conflict in the organization. Generally, from these finding we can conclude that almost respondents responded that there is a mechanism to handle labor management conflict.

The way responds to the labor- management conflict

The above table 4.13 show that 17(68%) of the respondents suggest that the conflict in the organization is respond through formally. while the rest 8(32%) of the respondents responds through the informal way of conflict resolution. From this finding we conclude that there is a formal way conflict resolution. These are important for labor management relation immediate solve the conflict.

Voice dissatisfaction to management

The respondents were asked how they voice their dissatisfaction accordingly ,40%) of the respondents responded they present their complaints directly to supervises and 16% of the respondents responded that they present their voice of dissatisfaction and appeal some management actions to representative of employees or employees union. However, there are employees 44% of the employees who use all moans to present their grievance. Thus, we can say that most of the employee’s solve their problems through open communication with the managers or their supervisors. So that the organization through solving ambiguous timely before other more progresses. In this case, we can conclude that in Ethiopia electric utility Western Shoa distribution system Ambo branch, grievances are presented to respective managers and supervises, allowing the organization to have a sustained economic progress through decreasing long range and something unwanted problem solving mechanism by just presenting it to managers and supervisors.

Grievance processes an efficiency of grievance process

Regarding grievance process, 80% respondents responded that the labor management work cooperatively during grieves process. Efficiency of

grievance procedure according to Decenzo and Robbins the employee raises the grievance with employees come date supervisor grievance is not settled the employee sees representative /union steward/ where they agree that there is grievance or falls to persuade the member otherwise they both take of back to the supervisor. If this fails to settle the matter it is taken to the next level of manager possible departmental head. The organization efficiency is because of using such like procedures.

The role of employees on the creation of good employee employer relationship

As an open end question we have asked for our respondents to tell as what they think their role is in the creation of good employee employer relationship. In addition to this they take the responsibility in the implementation of these policies. Most of our respondents responded that following the employee employer policies of the organization is their major role in creating good employee employer relationship, addition to this taking the responsibility in the implementation of these policies. In another way a large number of respondents responded that working properly what the organization needs to be worked by them is a major role in creating good working environment and Some respondents also responded that strictly learning and behaving as their employers need is their role in real ting good employee employer relationship. Generally these points are putted as a major role in creating conducive employee employer relationship environment.

Employee assistance mechanisms other than basic salary

From the analysis it was observed that 84% of respondents responded that the organization had not at all given them any assistance mechanisms. From this we can conclude that the organizational management should work hard to increase employee's assistance other than salary in order to gain employees acceptance and to increase employee's work performances as well as organizational service qualities. In addition to this as an interview we had been interviewed some employees on how this assistance increase their work efficiency as well as effectively.

Conclusion

The main objective of this study was to assess Employees -Management relation practices on the basis of the findings and summary.

Employees with their managers have at most a good relationship each other. This is the most

important concern of this study research. As it discussed in the analysis parts of the study, the employees and managers relation have a big impact on employee employer relations as well as organizational performance as a whole. In this case we conclude that the EEU out eastern distribution system Ambo branch has a big opportunity needing more works to be done more things to increase good employee employer relationship. The organization support to the labor-management relations is good. Because it has greater advantages to employers of small businesses for the creation of conducive environment for their employees, as a result employees prefer to stay with them. As we have observed in data analysis, of employees need a good employee employer relation to increase their productivity. This finding shows that the organization should do more measures to create good employee employer relation. Sometimes there is conflict within the organization which is mainly caused by interest differences between employees and their manager. Most of the employees of the organizations respondents affirmed that there is a conflict. This shows that conflicts arise in the organization hindering organization effectiveness if not solved properly.

As the finding shows employees productivity and performance are highly affected by the conflicts that arise between them and their managers on average. Employee's grievance presentation mechanisms in the organization are directly to their managers. We can say that most of the employee's solve their problems through open communication with the managers or their supervises, so that the organization manger insure and sustain development of the organization though solving ambiguous timely before other more progresses, in this case, it can conclude that the grievances are presented for respective managers and supervises allowing the organization to have a sustained economic progress through decreasing long range and something unwanted problem solving mechanism by just presenting it to managers and supervisors. Some of the employees present their voice of dissatisfaction with to employees union which is may be above than the organizations boundary.

Employee assistances other than basic salaries are like such as education allowance for children, temporary leaving expenses travel and home sale or rental protection. Automobile protection and etc. should give to the employees in order to increase employee s productivity. From this we can conclude that the organizational management should work hard to increase employee's assistance other than salary in order to gain employees acceptance and to increase employee's work performance as well as organizational service qualities.

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