

COURSE CODE: SOCI 426

COURSE TITLE: INDUSTRIAL SOCIOLOGY II

SESSION FIVE: INDUSTRIAL RELATIONS: CONCEPT AND THEORIES

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UNIVERSITY OF GHANA

College of Education

School of Continuing and Distance Education

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Course Information

Provide the following information:

Course Code:

Soci 426

Course Title:

Industrial Sociology II

Course Credit

3 Credits

**Session Number &
Session Title:**

Session 5
Industrial Relations: Concept and Theories

Semester/Year:

Second Semester
2017/2018/2018/2019

Course Information (contd.)

Provide the following information:

Lecture Period(s)

Insert Lecture Period(s): *(Online how many online interactions per week)*

Prerequisites

Soci 425: Industrial Sociology I

Teaching Assistant

Insert Teaching Assistant's Information: *(where applicable, provide name and contact information)*



Course Instructor's Contact

Provide the following information:

**Course Instructor(s)
Name**

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Office Location

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Session Overview

- **Overview**

- Industry is full of complex relationships between employers and employees as well as between the organization and the larger society.
- The formal process of consultation and negotiation which is as old as industry and will always remain a feature of industrial life;
- This session examines Industrial Relations; the relationship among the key actors in industry as well some theories of Industrial Relations

Session Learning Objectives

- ❑ **Objective:** At the end of this session, the student will be able to:
- Understand the concept of Industrial Relations;
 - Examine the Evolution of Industrial Relations
 - Describe the relevance of Industrial Relations;
 - Identify the Theories of Industrial Relations and how they are applied;

Session Outline

The key topics to be covered in this session are as follows:

- Topic One: The Concept of Industrial Relations
- Topic Two: The Evolution of Industrial Relations
- Topic Three: Relevance of Industrial Relations
- Topic Four: Theories of Industrial Relations

Session Learning Goals

Students must be able to;

- Define the Concept of Industrial Relations
- Identify the main Social partners in Industrial Relations
- Understand how the concept of Industrial Relations has evolved
- Identify the relevance of the practice of Industrial Relations
- Identify the various theories of Industrial Relations

Session Learning Outcomes

- At the end of this sessions and going through the assignments, the student should be able to;
- Understand the concept of Industrial Relations and apply it
- Identify the major social partners in Industrial Relations
- Appreciate the relevance of Industrial relations in work organizations
- Use the theories of Industrial Relations in understanding labour relations in Ghana

Session Activities and Assignments

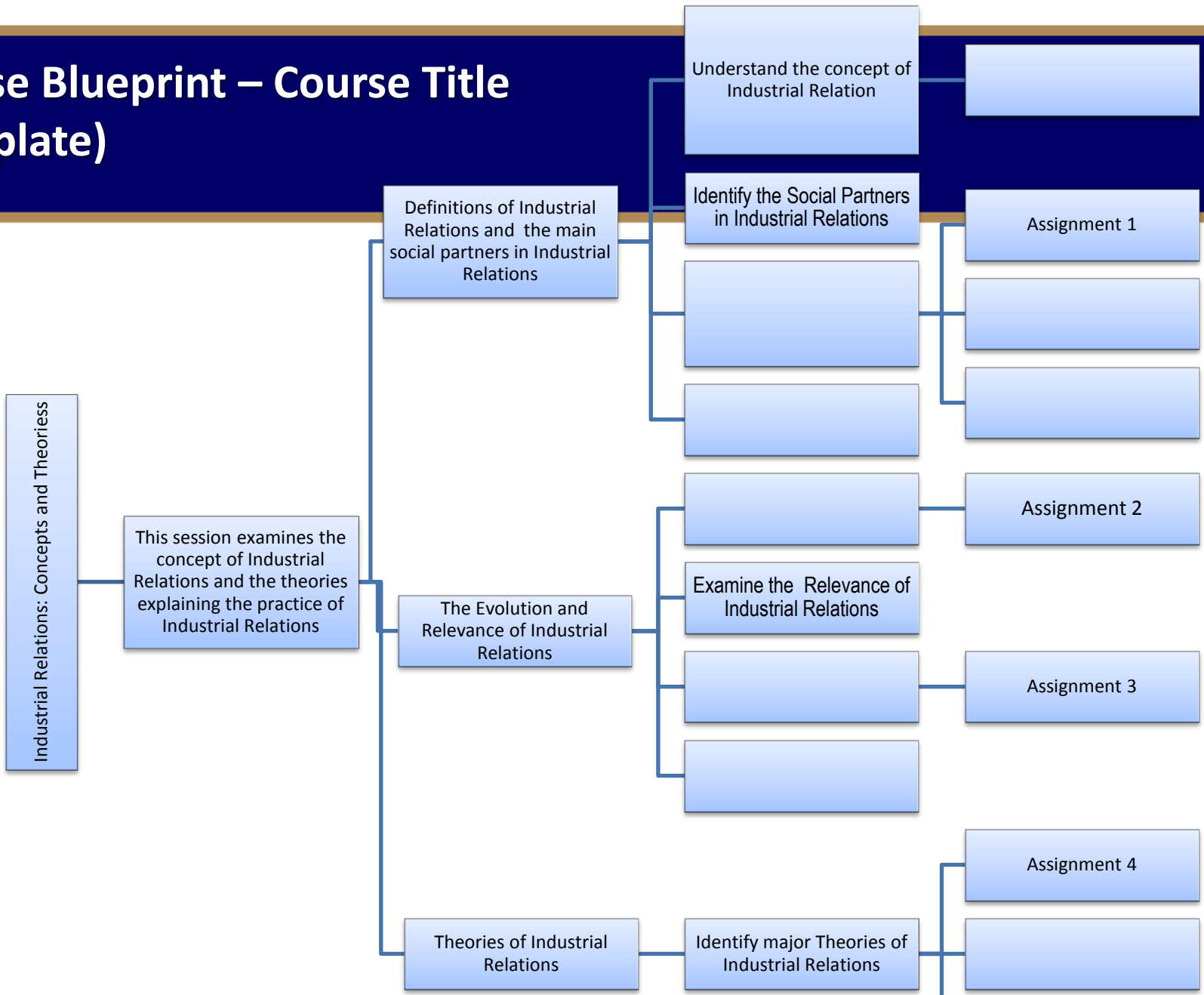
This week, complete the following tasks:

- **Log onto the UG Sakai LMS course site:**
 - <http://sakai.ug.edu.gh/XXXXXXXXXX>
- **Read Recommended Text** Obeng-Fosu, P (1991), **Industrial Relations in Ghana: The Law and Practice** Accra: Ghana Universities Press.
- **Watch** the Videos for Session 5 – Concept and Theories of Industrial Relations
- **Review** Lecture Slides: Session 5 – Concepts and Theories of Industrial Relations
- **Visit the Chat Room** and **discuss** the **Forum question** for Session 5
- **Complete** the **Individual Assignment** for Session 5

Reading List

- Refer to students to relevant text/chapter or reading materials you will make available on Sakai
- Harry C. Katz and Thomas A. Kochan (2000). **An Introduction to Collective Bargaining and Industrial Relations** (2nd Edition) USA: McGraw-Hill Companies.
- Obeng-Fosu, P (1991), **Industrial Relations in Ghana: The Law and Practice** Accra: Ghana Universities Press.

Course Blueprint – Course Title (Template)



SOURCE: The Course Blueprint is part of the Blended Learning Toolkit prepared by University of Central Florida (UCF) and the American Association of State Colleges and Universities (AASCU) with funding from the Next Generation Learning Challenges (NGLC). It is provided as an Open Educational Resource under a Creative Common Attribution-NonCommercial ShareAlike 3.0 Unported License

Topic One: The Concept of Industrial Relations

- The formal process of consultation and negotiation which is as old as industry and will always remain a feature of industrial life;
- Industrial Relation generally refers to all complex relationships between employers and employees in work organizations as well as between the organization and the larger society;
- It include individual relations but primarily pertains to collective relations between parties like workers and their unions and the employers and their associations;
- As an academic discipline, Industrial Relations have been defined by some scholars as focusing on the formal relations between employees and employers as well as the state;

The Concept of Industrial Relations Cont.

- Barbash (1985) defines industrial relation as “the area of study and practice that is concerned with employment functions involving;
- Workers and their unions, managers or employers as well as the Government and various stakeholders in society”;
- According to Encyclopaedia Britannica Industrial Relations includes “individual and collective relations as well as joint consultation between;
- Employers and employees (trade unions) and the part played by the state in regulating these relations”.

The Concept of Industrial Relations Cont.

- The key participants involved in the process of Industrial Relations are;
 - Management/Employers;
 - Labour/Workers and;
 - Government/The State;
- In Ghana, the Social Partners/Actors or Stakeholders in Industrial Relations are:
 - Workers and their Unions (Trade Union Congress-TUC)
 - Employers and their Association (Ghana Employers Association – GEA)
 - Government and its Agencies (National Labour Commission – NLC)

The Concept of Industrial Relations Cont.

- Industrial Relations is also a study of a set of Networks that determines and regulates employment relationships namely;
 - **Network of Organisations:** Trade Unions, Employers Associations, Industrial Tribunals, Labour Commission, Arbitration Committees;
 - **Network of Participants:** Union Officials, Employers Representatives, Mediators, Arbitrators, Conciliators;
 - **Network of Processes:** Processes that are followed to determine employment decisions namely arbitration, negotiation, collective bargaining, mediation, strike actions;
 - **Network of Decisions:** Collective agreement, arbitration awards, union rules;

Activity/ Assignment One

- Using Ghana as an example, identify the main social partners in Industrial Relations



Topic Two: The Evolution of Industrial Relations.

- It originally began as Labour Management Relations with the focus on the individual employee and the employer;
- This change with time when the workers constituted themselves into Trade Unions and the emphasis became a collective union and their employers;
- The intimidations and threat from a collective union also led to the formation of employers association;

The Evolution of Industrial Relations Cont.

- And now the emphasis is on the collective union and the collective employers association;
- The antagonism between the two bodies attracted public attention and;
- Therefore there was the need for government to intervene to regulate the relationship between the two bodies.

Topic Three: Relevance/Functions of Industrial Relations

- Industrial Relations have diffused conflict between employers and employees and established procedures for managing conflict and has introduced democracy to the workplace;
- Industrial Relations defines relative right and responsibilities of social partners and establishes power relations among them;

Relevance/Functions of Industrial Relations Cont.

- It establishes network of rules to guide relationships and behaviour and therefore seeks to eliminate uncertainties about ones fate in the organization;
- It provides a framework for the protection of investor capital, workers source of income as well as the interest of consumers.

Assignment Two

- Why is the practice of Industrial Relations important to the smooth running of Work Organizations?



Topic Four: Theories of Industrial Relations

- Theories of industrial relation attempt to examine and predict the behaviour of individuals and groups in industrial relation structures;
- They includes;
 - The Unitary Theory;
 - Conflict/Marxist Theory;
 - Systems Theory;
 - Social Action Theory.

The Unitary Theory of Industrial Relations

- The basic assumption underlining this theory is that every work organization is an integrated and harmonious whole existing for a common purpose;
- The theory assumes that each employee identifies with the purpose of the organization and the method for achieving it;
- The basic assumption therefore is that we are all part of one body working towards achieving a common goal;
- The theory therefore, does not recognize conflict between employer and employee as part of social processes at the workplace.

The Unitary Theory of Industrial Relations Cont.

- All members of the organization constitute a team and therefore have equal share and as such no one should exploit the other;
- It follows therefore that, there cannot be two sides in industry since indeed managers and managed alike are merely part of the same team;
- The unitary theory emerges from the belief that organizations whether privately or publicly owned are very much like a professional football team;
- As a result, industrial relation under this theory is assumed to be based on mutual cooperation and harmony of interest between management and workers within the organization;

The Unitary System of Industrial Relations Cont.

❑ Conditions for the Unitary Theory to Work

- There must be a very strong leadership from the top to keep the team working and also committed manager for work to be done;
- It must adopt at a minimum a paternalistic approach towards the employees or at the extreme and;
- A more authoritarian approach with a suitable communication structure to keep employees informed of managerial decisions;
- Factionalism in work organization or part of it is considered a pathological social condition;

Conditions for Unitary Theory to Work Cont.

- The organization is sick when there are symptoms of division or factions;
- Or if there are grouping and divisions or differences of interest, then the organization is not functioning well;
- Employees have no right to challenge decisions of management since it is the prerogative of managers to govern;
- For this reason, trade unionism is seen as an illegitimate intrusion into the unified and cooperative structures of the organization;

Conditions for Unitary Theory to Work Cont.

- Unions compete with management for the loyalty and commitment of employees to their employers hence there should be no trade unions;
- Collective bargaining and trade unions are perceived anti-social mechanisms;
 - As they lead to unnecessary and destructive conflict between two non-competing and cooperative parties;
- For the theory, if there are any conflicts it is due to faulty communication or some few disgruntled members inciting the majority.

Merits or Advantages of the Unitary Theory

- The theory is management oriented and reassures managers of their role as actual decision makers in the organization;
- It legitimizes the acceptance of the authority of managers over their subordinates leading to orderliness and efficiency in the work place;
- Institutions such as churches and the military have gradually adopted unitary structures and consensus value which have been accepted by management and;
- Subordinates alike due to “obey before complain” principle leading to high discipline.

Demerits of the Unitary Theory

- It denies the existence of social conflict which is the very structure inherent in every organization;
- Hence, the theory has a very weak bottom-up communication structure to allow sub-ordinates to express their grievances, frustration and dissatisfaction;
- Organizations that strictly stick to this principle lose the opportunity of the rich potential contributions of its members to managerial and operational decision making process;
- There are no checks and balances on the integrity of the authorities and these can lead to the abuse of power;
- The paternalistic approach within the theory when carried too far can lead to favouritism.

Assignment Three

- To what extent do you agree with the arguments of the Unitary Theories of Industrial Relations in Ghana?



The Conflict Theory of Industrial Relations

- Unlike the unitary theory which denies the existence of social conflict in the organization,
- The conflict theory recognizes the existence and validity of conflict within every work organization;
- The theory tries to give a framework of analyses that explains the changes and the processes in conflict and conflict management in work organizations;
- Hence from a capitalist society to the post-capitalist society conflict is therefore part and parcel of every organization;

The Conflict Theory of Industrial Relations Cont.

- The conflict theory of industrial relations is based on three inter-related view of society and of industrial relations between employers and employees;
- Firstly, even though the post-capitalist societies were class-based;
- The political and industrial conflicts were institutionally separated and that conflict has become less-violent;
- Due to this reason, industrial conflicts are socially regulated and controlled in the larger industrial society;

The Conflict Theory of Industrial Relations Cont.

- Secondly, work organizations are microcosm of the larger society;
- Since society comprises of individuals and groups each having its own social values and pursuing its own interest;
- It is argued that, the same is the situation in work organizations with competing interest between employers and employees leading to conflict;
- As such, it is claimed that industrial conflict between managers and their subordinate must be recognized as an inherent feature in work organization.

The Conflict Theory of Industrial Relations Cont.

- Thirdly, the theory believes that, the institutionalization of conflict in industry has not only decreased its intensity but also changed its form such as;
 - ❖ The organization of conflicting interest groups like Trade Unions and Employers Association;
 - ❖ The establishment of Parliamentary Negotiating Bodies in which the conflicting group meets to negotiate like the Tripartite Committee;
 - ❖ Institutions of mediation and arbitration where third parties come in when there is a deadlock between workers and management;
 - ❖ The participation of workers in industrial management such as their representation on management boards.

The Conflict Theory of Industrial Relations Cont.

- It is argued by the Conflict theory of Industrial Relation that the emergence of Trade Unions, Employers Association and Collective Bargaining has now regulated conflict between management and workers;
- Even where these conflicts seem in-resolvable, third party interventions such as arbitration, conciliation are now available to provide workable remedies;
- The Conflict theory also believes in the importance of “Pluralism” society or industry comprises of interest groups held together;
- Trade Unions are therefore legitimate representatives of employee interest at work with the right to challenge the right to manage.

Assignment Four

- Compare and Contrast the main tenets of the Unitary and Conflict theories of Industrial Relations. Which of these theories best explains the current happenings on the labour front in Ghana?