

Management of Labour

Employment Relationship



What is the Employment Relationship?

- Essentially it is “ a market exchange in which an employer hires a worker to undertake a particular job for an agreed price” (Budd 2011)
- Therefore it is an integral feature of capitalist market economies.
- Employment relationship is viewed as a conventional contract.



Is it that simple?

- Free and equal way??
- Worker generally in a weaker position.
- Employer can choose.



2nd issue

- Fails to capture the way in which work and employment relationships are infused by power.
- Employer to command- worker to obey.
- Scope to direct the activities of worker, which are not there in self- employed contractor to undertake a once off specific task.



Wage- Work bargain

- Labour is not saleable
- Employers do not buy employees- shop!!!!
- Capitalists buy and workers sell the capacity to work over an agreed period of time.
- The Quantity of the work is variable
- The Quality of the work is variable
- Employment Relationship is open ended or 'indeterminate'



Wage- Work bargain

- Can't foresee all the eventualities that may arise.
- Characteristics of the Employment Relationship
- “Market Relations” and “Managerial Relations”



Market Relations

- Determine ???
- Pay
- Bonus
- Holidays etc



Managerial Relations

- Concerned with???
- How much work is to be done,
- How quickly
- Quality
- Sanctions for non- compliance



Actors in Employment Relationship

- Managers
- State
- Workers and Unions



Employment Relationship Rules

- Law
- Individual bargaining
- Custom and practice
- Managerial prerogative
- Collective bargaining



Law

- Minimum wage
- Holidays
- Statutory redundancy
- Discrimination
- Fixed term contracts



Individual Bargaining

- Technology work
- Footballer



Custom and practice

- Finishing times Xmas
- Bank time



Managerial Prerogative

- Right to Manage
 - Skills
 - Expertise
 - Leadership
 - In other words they know best



Consultation

- Employee involvement
- Team briefings



The Worker Problem???

- Part of the management function is to Secure active cooperation.
- Collective Bargaining



- <https://youtu.be/5GAIwDjO9VY>



Collective Bargaining

- Substantive agreements
 - Pay
 - Holidays
 - Bonus
 - Maternity pay- extra
- Procedural Agreement
- Disciplinary
- Grievance
- Shop stewards role etc.



Collective Bargaining

- Employers
- Keep scope to Market Relations
- Keep 'Right to Manage'
- Focus on individuals



Collective Bargaining

- Unions
- Maximise scope to include Managerial Relations
- Challenge right to manage
- Focus on collective

