

Problem and Prospects of Structural Changes and Its Social Impact on Industrial Relations

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ABSTRACT

The goal of this research was to look at the societal issues of industrial relations at the federal polytechnic of oil and gas in Addis Ababa, Ethiopia, and to examine the various industrial relations practices used by most firms. The research design was a descriptive survey with the goal of investigating and observing good industrial relations practices in oil and gas businesses operating in Addis Ababa, Ethiopia. It is critical for businesses to avoid societal conflicts and dissatisfactions and to maintain industrial peace and harmony as a result of improved performance at work, which promotes productivity and growth. Human beings are the active agents who amass money, exploit natural resources, construct social, economic, and political systems, and drive a country's progress ahead.

Keywords: industrial relation, social issue, industrial democracy, economic satisfaction

I. INTRODUCTION

A relationship between management and labour, or between employees and their employers, is referred to as "industrial relations." "Employment" is a two-way street, with both the employer and the employee involved. Cooperative, adaptive, and accommodating behaviour are required on both sides. A set of mutually beneficial rules for coexistence has been established and is being adhered. It has been increasingly important for the state, both as an employer and a policymaker, to develop a large public sector throughout time.

An important part of industrial relations is governed not only by legislation, but also by regulations, agreements, court decisions, and an emphasis on norms and traditions, together with the executive and judicial branches' implementation of policies. Research on industrial relations, according to Haile-Selassie and Gebre (2005), encompasses all aspects of the work relationship. Workers' interests, and those of the organisation and society as a whole, are a primary focus in this area. According to Shewangizaw (2010), the focus of industrial relations is on the connections between employers or management, employees, and their unions during the production or service process.

There are conflicting and compromising forces on both sides of the industrial relations system. Both the employer and the employees have a responsibility to put out fires and work together in good faith in order to benefit society as a whole. In order to resolve interpersonal problems and disagreements, one must use persuasion and even force. The elements that lead to conflict must be dealt with in a constructive manner. A person's life is shaped and influenced by the government. According to this perspective, salaries are the most crucial and fundamental aspect of a worker's employment. There may be other aspects of job satisfaction and dissatisfaction, but one thing is for sure: he wouldn't be at the job if it didn't pay him. No matter how unpleasant the working conditions or the people around him were, he would put up with them if there was no other option, but he would never put up with the discipline of a job that did not pay him or provide him with a source of income. He is paid an hourly wage rate multiplied by how many hours he works, according to Menelik and Cherenet (2015), a manual labourer. A salary, which is essentially a wage rate for a period of time longer than an hour, is the most common form of compensation for a white-collar worker, and it depends on the terms of employment and the country where he works. We want to find out if we can Ethiopia's Addis Ababa polytechnic oil and gas is the main focus of this study. Its case study serves as the study's main goal. Below are the objectives:

1. To assess the various industrial relationships that exists in Bonny's oil and gas industries.
2. To identify the social difficulties of industrial relations in Bonny's oil and gas firms.
3. To figure out why industrial relations are so important in business.
4. To look into the basic objective of labor relations in general.

II. LITERATURE REVIEW

According to Fikru (1965), industrial the study of employment (sometimes known as labour) relations that exists between the employees and the bosses of an organisation, and how workers' opinions, employment practises, behaviour, and policies are influenced by this relationship and how and why during the employee-employer relationship, external bodies can intervene discontent. According to him, the continuous importance of work for the upkeep and expansion civilizations is the motivation for the discipline of industrial relations. This implies the existence of a critical labour or employment group that has basic social, economic, and political interaction with managers and employers. Because the conclusion of connection is important to a country's Long-term viability, by itself continuing, it invariably includes the state or government.

Employees and labour (and, in many cases, trade unions), and the government are all involved. Despite the fact that there is bound to be some conflict between these groups, there are usually procedures in place to make sure that it is kept under control or even allowed to happen.

Industrial relations, according to Bemnet (1975), are the relationships that are founded on and arise from an employment contract. Businesses in Ethiopia's are thought to have some sort of relationship in this setting. Industrial relations was defined by Addisu (1987) as the notion that creates the study of people in a situational organization or system, whereas Haile-Mariam (2016) defined it as labour and industrial relations, which is a web of norms that binds the actors in the workplace. Industrial relations, according to him, are a study that looks into the behaviours of workers, management, and the government in the context of the geographical environment in which a company is based or operates.

It is also expected that organizations' "production" and "distribution" processes interests may be shared or conflicting. The first covers the actual job process, while the second covers the financial benefits of employment. The functions of all organizations, for one thing, define a succession of productive or creative actions. While their work may be devoid of conflict, there are frequently basic conflicts along the line of employees' control seeking managers and supervisors have more independence on the work. Attempting to organise the manner in which work is organised and carried out operations. Employee reward distribution might also result in agreement or disagreement. The former is based on the principles of distribution being governed by fairness or organizational justice.

Poor Worker-Management Relationships

A number of factors contribute to strained working relationships.

1. Ineffective communication channels, unfair practises, non-recognition of unions, and labour restrictions are all examples of organisational causes of poor industrial relations.
2. Due to several unions and inter-union conflicts, trade unions are weaker than they would otherwise be. Defects in the country's trade union system have been a major cause of industrial disputes.
3. In many cases, poor wages and working conditions are to blame for poor management-labor relations. Other economic factors include unauthorised wage deductions, a lack of fringe benefits, a lack of advancement opportunities, and a defective incentive program. Some other reasons for industrial conflict.
4. Unsatisfactory Job instability, poor performance recognition, and bad interpersonal relations are all factors that make it hard for employees and employers to get along.
5. One of the main sociological factors contributing to poor industrial relations is the uninteresting quality of the work itself. Many workplace disputes are the result of people's being disenchanted with their jobs and other aspects of their lives.

III. IMPROVE INDUSTRIAL RELATIONS

Employees benefit from a more pleasant work environment and fewer strikes, grievances, and problems when there are good and harmonious industrial relations. As a result, all waste will be eliminated, and resources will be put to better use. Worker morale improves as a result of better building mutually beneficial relationships in the workplace a single agreed-upon strategy that drives employees to give their utmost. A company's labour relations can be improved by implementing the following measures:

1. Through consensus management, employees and unions should be included in the development and implementation of HR policies and practises.
2. These policies are effective in the workplace. Policies and procedures for employee compensation, transfers, and promotions, among other things, should be equitable and transparent. Everyone in the organisation, including union leaders, should be made aware of all the rules and regulations governing the workplace.
3. Having a strong trade union that is held to account by the employer is advantageous. Trade unions should handle industrial relations sensibly rather than politically.

4. Workplace security and health the well-being of employees is an important consideration for employers. They need to pay their workers well, create decent working conditions, and provide additional benefits for their employees. Working-class employees should be a top priority for management.
5. An effective and well-established method for dealing with employee complaints can have a significant impact on improving labour relations. The creative urges of employees can be satisfied through the use of a suggestion approach.
6. There should be a favourable attitude between management and the labour unions. It is imperative that management acknowledge unions as a legitimate channel for worker complaints and as a defender of their best interests.
7. If employers want good industrial relations, they should treat their employees as partners in a joint endeavour. An effective channel of communication must be established in order to eliminate misunderstandings and grievances among employees.
8. Employees should be given the opportunity to learn and grow.
9. In any type of business, such as a factory, it is critical to have a strong and stable union to negotiate the terms and conditions of service with management and to maintain healthy industrial relations.
10. Management and labour should collaborate to create a climate of mutual trust and respect. Workers' rights need to be recognised by management, who should take a more progressive position. Labor unions, on the other hand, should be encouraging their members to work together toward the organization's common objectives. It's time for management and labour to put their faith in peaceful means of resolving conflicts like collective bargaining.
11. Management should implement the agreements negotiated with the unions with a sense of honesty. Management and labour union agreements must be adhered to strictly.
12. The government's role in promoting industrial peace should be proactive. Every industrial unit should be required to recognise a union as a legitimate bargaining unit, and this legislation should be passed. In the event that management and employees are unable to come to an agreement, the government should step in to mediate the situation. This will restore equilibrium to the market.

IV. SOCIAL ISSUES

Tenacity some social issues Haile-Selassie and Gebre (2000) and Ratnam (2006) pushed for a strategic approach to tackling difficulties to mitigate or remove some of the come with them. These include, but are not limited to, the following:

1. Participation in the management of organisations by workers' representatives Employees and management can collaborate on decisions through the use of a representational system. This allows employees to have a real say in the decisions that affect them in a meaningful way. Industrial democracy is the name given to this arrangement. Under this arrangement, employees may be invited into the management team to advocate for their interests in decisions that affect them. This method is used when workers believe that they are not adequately represented in decisions that impact them. It is also possible to use co-opting to influence workers' opinions or bad attitudes toward management and to establish a sense of stability and harmony among the workforce. As a result, profitability and output both rise.
2. When workers are involved in collective bargaining, they are able to have a say in choices that affect them in the workplace. The rules that govern how the employer and its employees interact will be made together by everyone who is part of the process.
3. The joint consultative committee is made up of the employee council, shop steward committee, staff committee, and workers' council, all of which can solve industrial problems.
4. Conflict resolution in the workplace can take on a new dimension with the purchase of company stock by workers or employees who want to participate in crucial decision-making. Employees get more invested in the company when they purchase stock in it. Employees might also be involved in the company's financial success through a profit-sharing programme. Employees are compensated according to the "Scanlion Principle.
5. Improving the work's quality Employers can make sure that their workers are actively involved in making decisions by changing the job, making the job better, or expanding the job.

Resolving the social problems of Ethiopia's oil companies will also include the following:

1. Maintaining effective communication with members of all social classes in order to address the needs of host communities crucial challenges and requirements. Restlessness will be reduced as a result of this.
2. Creating a community development programme to benefits the communities where it will be housed
3. Constant assessment and mitigating of the political, economic, social, and technological repercussions of all company actions, and taking the necessary.
4. Paying special attention in all areas of operation to the most economically disadvantaged social groups.

5. The goal is to build and keep close relationships with everyone in the local community, so that you can better understand their concerns, needs, and goals.

V. WORKPLACE RELATIONSHIP

The importance of workplace relationships cannot be overstated. Employee-employer interactions are often linked to healthy and positive industrial relations. Progress necessitates positive working relationships. Their significance can be summarised thusly:

1. Improve Industrial Democracy

Workers' engagement is required at all levels of the organisation when making decisions that have a direct impact on their lives. The primary role of joint talks is to lay the groundwork democracy in the workplace and to strengthen the employee-management relationship. This is a win-win situation for everyone involved. A motivated workforce gives their best to the company, but they also share a percentage of the company's success with management.

2. Promote Industrial Development

Peace Before taking any action under the IR procedure, Employees and supervisors consult on the topic with one another. Each party's fears have been dispelled. Thus, there is no longer a need for any unilateral behaviours that lead to ambiguity or confusion. The calmness of the company is enhanced by this approach to internal relations (IR). Prosperity and peace are mutually reinforcing.

3. Worker Benefits

There are numerous ways in which IR is beneficial to employees. Protecting employees from the immoral practises of management, such as subjecting them to harsh working conditions and inadequate compensation, is one of its most important functions. A framework for dealing with work-related issues is also established.

4. Management Advantage

Managers' rights are also protected by IR. It helps managers figure out how to deal with employee indiscretion when it happens in the workplace because IR gives them a set of rules.

VI. FACTORS AFFECTING INDUSTRIAL RELATIONSHIP

Economic Contentment of Employees

According to psychologists, human needs take precedence above everything else. Survival is the bare minimum. Men are driven by this desire, and it shapes their conduct. In order to live, a guy must put in a lot of effort. Since many workers are still living on a tight budget in underdeveloped countries, this is especially true. So workers' financial well-being is an important part of successful labour relations.

History of Industrial Relations

The history of excellent and bad labour relations in a corporation cannot be avoided. A successful company's history may be traced back to the harmonious interaction between management and employees. Militant protests and lockouts have a dismal history. There is a tendency for recurrence in both sorts of history.

Fulfillment in Mental and Social Realms

An important part of building healthy labour relations is identifying the social and psychological needs of workers. Bread alone will not suffice to sustain one's existence. When hiring him, the employer needs to take into account more than just his physical needs. Human and social interactions are at the heart of an organization's joint effort, and each member feels that he is addressing his own needs while also assisting others. Employee participation in management, job enrichment, suggestion programmes, and grievance resolution are just a few examples of the kinds of social and psychological rewards necessary in this type of work environment.

Employers and Employees Dispute

When it comes to training, education, experience and attitudes, both management and workers' representation in the domain of industrial relations come from a wide range of backgrounds. The nature of labour relations is profoundly influenced by the varying experiences of employees from all around the world. Good in the workplace tend to establish an environment

that is conducive to the development of an equitable collective bargaining agreement in general. Collective bargaining is difficult for people who lack education and experience since it is a complex human activity that incorporates people's emotions and money.

Unions Need to be Educated

Having a strong and well-informed labour movement is essential to ensuring that workers' rights are protected while also protecting the interests of management. This emphasis on employee contributions and responsibilities should be emphasised in unions.

VII. CONCLUSION

According to the findings, industrial relations are the foundation for higher production at lower costs and higher profits in any organization or company. Industrial relations that are good reduce industrial disputes and the complex issues that plague modern industrial society. Without labour cooperation and harmonious relationships, industrial progress is impossible. "Industrial Relations" is a term used to describe the working relationship between employees and their employers. It is, however, preferable to establish and maintain positive relationships between employees (labour) and employers (management). An effective industrial relationship leads to an increase in the organization's productivity.

There are conflicting and compromising forces on both sides of the industrial relations system. Both the employer and the employees have a responsibility to put out fires and work together in good faith in order to benefit society as a whole. In order to resolve interpersonal problems and disagreements, one must use persuasion and even force. The elements that lead to conflict must be dealt with in a constructive manner.

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The company has implemented more effective welfare activities, which have resulted in a more productive working environment. The company provides various types of welfare schemes to its employees, such as medical benefits, a bereavement fund, life insurance, a place to live and a way to get about, and a social club, and so on, in order to improve the industrial relationship. Social difficulties will be eliminated as a result of this caused by a lack of ineffective implementation of collective bargaining agreements practises in organizations, primarily oil and gas companies in Addis Ababa, Ethiopia.

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