



Employee and Labor Relations

BUSINESS STRATEGY

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Introduction ...

Human resources management plays an important role in business; especially in the role of employee and labor relations. The overall goal for HR is to make sure that employees are in the right position, are in a good and safe environment, have all the rules and training needed to be capable of working, and can speak to HR when needed.

The discipline of employee relations encompasses a broad range of concepts, transactions, practices, behaviors and objectives arising out of the relationship between an employer and its employees, supervisors and subordinates, and co-workers. Its foundations, if carefully laid and maintained, will support and guide myriad decisions that an organization's leaders will make in the course of recruiting, screening, hiring, training, compensating, assessing, accommodating, coaching, counseling, disciplining and terminating employees.

Basic employee relations concepts include equal employment opportunity, fairness and consistency in the treatment of employees, effective communications between management and employees, documentation of employment actions, record-keeping as required by law and practice, performance management systems, and conflict resolution processes. In some organizations employee relations professionals are responsible for creating and maintaining a positive, productive and cohesive work environment within the organization's particular business model and corporate culture.

Training on the basic concepts of equal employment opportunity, harassment and other aspects of employee relations is designed to educate employees and raise awareness about lawful, appropriate and respectful conduct in a diverse workforce. Training has been recognized by the courts and fair employment practice agencies as a critical part of an employer's defense to charges of workplace discrimination and harassment.

There's a lot that contributes to employee satisfaction, but according to a recent survey, we know one thing for certain. Employees who receive frequent positive recognition are more likely to be satisfied with their job. Several of the top reasons employees quit their jobs have to do with negative relationships in the workplace—bosses who blame them for mistakes, bosses who don't trust them, and difficult co-workers. Recognizing employees might go a long way towards improving relationships with them.



Part 1. Organizational Climate

Organizational health is paramount to organizational performance. If it can be measured ~ it can be managed. If the organizational climate within an organization is extremely positive, it will be evidenced by high employee morale and the willingness of its workers to complete tasks in a timely and efficient manner.

Organizational climate is the process of quantifying the “culture” of an organization, it precedes the notion of organizational culture. It is a set of properties of the work environment, perceived directly or indirectly by the employees, that is assumed to be a major force in influencing employee behavior.

The Professional Human Resource (PHR) manager is in charge of developing strategies to enhance organizational culture and to generate a culture that is conducive to high performance.



Employee Feedback ...

Organizations can evaluate its overall health by regularly assessing the organizational climate using a variety of formal, informal, qualitative, and quantitative, and quantitative tools including attitude surveys, opinion surveys, and engagement surveys.

A good supervisor will discuss their employees' views on company's organizational climate when conducting performance reviews to enhance company policies.

The culture of an organization is ingrained in the behavior of the members of an organization and is very difficult to change.

The unique culture of an organization creates a distinct atmosphere that is felt by the people who are part of the group, and this atmosphere is known as the climate of an organization.

We define organizational climate as how members of an organization experience the culture of an organization.

The climate of an organization is subject to change frequently and can be shaped by the upper management of an organization.

If culture represents the personality of the organization, climate is the organization's mood. Organizational climate is much easier to experience and measure than organizational culture and also much easier to change.

Organizational climate and job satisfaction are distinct but related constructs, and both appear to influence employees' understanding of the work environment and their level of job satisfaction.

Part 2. Corporate Program

Employee relations programs are designed to create a positive organizational culture that affects critical elements linked to organizational strategy such as employee engagement, morale, and commitment. Employee relations programs provide a fair and consistent system for addressing, reporting, and resolving problems that may arise during employment.

A comprehensive employee relations program may include:

1. 'Open Door' policies that encourage employees to submit ideas and report concerns
2. Equal Employment Opportunity (EEO), disability accommodation, and diversity elements
3. Guidelines for workplace conduct and organizational cultural values
4. Systems for effective communications between management and employees
5. Procedures for documenting employment actions such as promotions and disciplinary issues
6. Procedures for conflict resolution or grievance
7. Performance management systems
8. Employee recognition and rewards
9. Employee satisfaction and engagement surveys

Treating employees and co-workers with respect isn't merely nice, it's also smart, because those people's brains will "literally light up and perform at the highest levels" and that's good for business.

In *The Respect Effect*, author Meshanko delves into what respect looks like in the workplace and how to create a culture of respect in the organization.

Science clearly links respect with employee engagement, customer satisfaction, the ability to attract and keep good workers, and better information flow.



Part 3. Diversity Program

Employee relations programs also may be directly related to the organization's diversity initiatives.

These initiatives serve multiple purposes including advocating a diverse and inclusive work environment, supporting different cultures and traditions, encouraging understanding between employees, and demonstrating the organization's commitment to equal treatment, equal employment, and to demonstrate that everyone is important to the mission.

Effective diversity programs may lead to enhanced employee engagement, increased opportunities for innovation, and improved organizational performance. Successful diversity initiatives encourage leveraging differences between employees and creating opportunities for diverse individuals to work together on project teams.

Other examples include external initiatives such as forming partnerships with diverse professional societies or trade organizations, or internal programs such as fostering career development by creating diverse mentor/mentee relationships, supporting employee resource groups, or sponsoring events that celebrate the workforce's diversity.

DIVERSITY & INCLUSION

Workplace diversity programs are usually developed by human resource departments to foster a more inclusive environment for employees, but aren't typically tested for their effectiveness.

Program evaluation and assessment must be a primary concern of the professional human resource manager to ensure the corporate policies are being practiced and that a culture of diversity is vibrant.

In the past, companies are known to use the mere presence of a diversity program as an excuse to brush off allegations of discrimination, even when there is clear evidence of discrimination at a company, the presence of a diversity policy leads people to discount claims of unfair treatment.

Unless an organization creates a climate that welcomes and is hospitable to those who are in some way different from the majority group, costly turnovers will continue as new talent leaves.

Cultural diversity training programs ensure that diverse candidates, once hired, will want to stay with the organization. Diversity programs must be organization-wide or the organization as a whole will not benefit. Buy-in from all levels is critical for maintaining diversity.

When an organization invests in its employees, they are more inclined to feel valued and believe they have genuine opportunities for advancement.

Part 4. Workplace Policy

Workplace policies and procedures define the guiding principles for the empowerment relationship by outlining expected standards of conduct and obligations of each employee and the organization.

Workplace policies establish boundaries for acceptable behavior and guidelines for best practices in certain work situations. They offer clear communication to your employees as to how you expect them to act.

Policies also contribute to the overall culture of the workplace, because they instill norms and values.

Workplace policies and procedures are developed and documented by the organization, for instance, within an employee handbook, or negotiated as part of a collective bargaining agreement.

The leadership team and legal counsel should be consulted prior to the design and organization-wide dissemination of new or revised policies.

Once finalized, the organization should develop a communication plan, including an effective date.

The management team should be briefed first so they can respond to questions or concerns that may arise once policies are communicated. Depending on the nature or significance of the new or revised policy, a signed acknowledgement of receipt of the policy form each employee should be maintained in the employee's file.

A monitoring process is essential following the communication and implementation of a new policy to assess the impact and manage expectations, mitigate negative attitudes, and promptly address any resistance to change.

Workplace policies and procedures should be reviewed and updated periodically. Regular reviews help confirm that the organization can adapt to changing legislative, cultural, and business climates. The aforementioned purposes show clear value to thoroughly and clearly state policies. However, you can go overboard with policies if they infringe on employee rights and contribute to low morale.

Only policies that have a purpose have value. Excessive policies, or those counter to the organizational culture, restrict creative thinking, lower morale and lead to poor bottom line results.



Part 5. Workplace Conduct

Every organization has rules that define and govern the expectations and conduct of leaders and employees. In some cases, federal or state laws define what is and is not permissible.

In most cases, however, the organization fashions its own rules and expresses them in written policies or handbooks or institutionalizes them by practice. The rules and established practices create an expectation on the part of leaders and employees that the rules will be observed and that there are practical or legal consequences when they are not.



For example, individuals have brought successful legal challenges to adverse employment actions based on conflicting language in handbooks or when similar conduct has been treated differently in the past without prior notice of a change.

The complexity of workplace conduct rules depends on many factors, but basic areas covered include the following:

On-the-job conduct, including attendance, tardiness, alcohol and substance abuse, fighting, and use of profanity. See, Conduct and Working Environment Policy and Managing Employee Attendance.

Disciplinary issues, including insubordination, rules violations and theft of organizational property.

Dress and appearance, including appropriate attire, facial hair, jewelry, body piercing, tattoos and head wear. See, Business Attire Policy and Managing Employee Dress and Appearance.

Harassment, including sexual, racial, and religious harassment, as well as workplace bullying.

Part 6. Relationship Transactions

Numerous actions might be required or requested that affect the status of employment or working conditions. Such transactions often trigger rights, responsibilities or restrictions determined by federal, state or local laws. Examples include the following:

Requests for workplace accommodations for reasons of disability. See, Accommodating Employees' Disabilities.

Requests for workplace accommodations for reasons of religious practices.

Specific employer policies and practices concerning such requests often provide additional guidance or greater rights than those guaranteed employees by law.



Employee Rights

Under the National Labor Relations Act

Where movement within the employment relationship is the result of decisions made by management to address legitimate business needs, the organization's policies, programs and past practices might guide the process, and thus involve the employee relations professional. Such rules must comply with fair employment practices, wage payment and other workplace laws and regulations. For example, promotions and transfers affect the individuals in transition as well as employees not selected for open positions.

Human resources provides employees with career coaching, helps managers develop clear selection criteria, establishes policies for posting—or not posting—available positions, announces promotions, and helps nonselected candidates strengthen their skills in anticipation of future opportunities.

Terminations, demotions, involuntary transfers and other adverse actions require careful scrutiny and risk legal consequences if they run afoul of fair employment practices or if they create potential claims for wrongful discharge or demotion. To avoid the risk of significant liability for the organization and, in some cases, the individual supervisor or manager, proper procedures must be followed for all adverse employment actions. See, Involuntary Termination of Employment in the United States.

Retaliation is a concern whenever an employee who has lodged or filed a complaint or supported the action of another employee in lodging a complaint is subsequently treated differently or adversely. Claims of retaliation often accompany other job bias complaints and can survive even if the underlying claim is disproved or resolved. See, Managing Workplace Privacy.

Part 7. Employment Practices

Although rarely required by law, most organizations have at least some written policies augmented by prior actions taken in response to employee concerns. The policies and precedent together form the internal governing system for all employee relations matters. See, the Equal Employment Opportunity Commission's study, *Best Practices of Private Sector Employers*.

The following list briefly describes various aspects of employment practices.

Equal employment opportunity (EEO)

Fairness and consistency are at the heart of all employment practices. An EEO policy statement generally says that equal consideration for a job is applicable to all individuals and that the employer does not discriminate based on race, color, religion, age, marital status, national origin, disability or sex. Some employers add protections for employees based on sexual orientation and gender identity or expression. The minimum required protections are dictated by federal, state and local law in the United States. Nondiscrimination rules differ by country, region and local area and must be understood by employee relations professionals. Once written, the employer's policies and practices should be applied in a fair, consistent and nondiscriminatory manner. Policies should be reviewed and updated periodically to ensure they are effective and clear. See, *Managing Equal Employment Opportunity*.

Employee handbooks

An employee handbook is a written or electronic document containing summaries of the employer's policies and benefits and is used to familiarize employees with rules and expectations of the employment relationship. The employee handbook outlines the expectation of management and serves as a reference for employees. Handbooks serve many valuable purposes, but they also carry with them certain risks and obligations. See, *How to Develop an Employee Handbook and Developing Human Resource Policies and Handbooks*.

Employee rights posters

Posting requirements under numerous federal and state employment laws require employers to display posters and other notices about employees' rights in areas of the workplace that are conspicuous and accessible to all employees and, in some cases, applicants. See, *Complying with Workplace Records and Reporting Requirements*.

Records and reports

Documenting numerous aspects of the employment relationship is also required by various federal and state laws. Employee personnel files are essentially a well-constructed layout of an employee's employment history and establish a foundation of documentation for job reviews, references, employment verifications, background inquiries and legal defenses. See, *Managing Personnel Records: Practical, Legal and Security Issues*.

Retention and safeguarding of required records and reports are critical for legal compliance. Employers with government contracts may be subject to additional record and report retention requirements. See, *Record Retention and Destruction Procedure (Government Contractors)*.

Performance management

Performance management is the organized method of monitoring results of work activities; collecting data and evaluating performance to determine achievement of goals; and using performance information to make decisions, allocate resources and communicate whether objectives are met. The performance appraisal process is a part of performance management. See, Managing Employee Performance and ANSI/SHRM Performance Management Standard

Recognition

Recognition of employee accomplishments is one of the most important ways to keep employees motivated and to reinforce organizational expectations and goals. See, Managing Employee Recognition Programs.

Counseling

Counseling employees face-to-face is effective to sustain or enhance job performance and serves several purposes: provides the employee with his or her supervisor's expectations, orients the employee to organizational policies, establishes objective goals for the rating period, and communicates career-mapping strategies. See, Coaching in a Business Environment and Managing the Employee Onboarding and Assimilation Process.

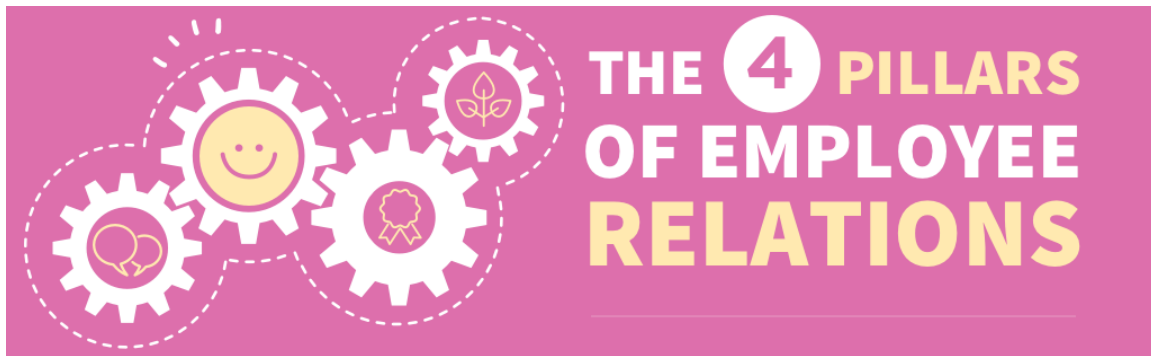
Employee attitude surveys

Employee attitude surveys are used to tap employees' perceptions, feelings and concerns to create more effective, productive workplaces. Though there are pros and cons to conducting employee attitude surveys, their use has become widespread; the challenge is determining which survey design and method of execution will yield the most useful information. See, Managing Employee Surveys.

Conflict resolution

Conflict resolution is a broad term covering informal and formal procedures for hearing and resolving employee complaints. At its most basic, conflict resolution happens when an employee and a supervisor resolve a work-related problem. On the more formal level, conflict resolution runs the gamut from "open door" policies to progressive steps in dispute resolution to mandatory arbitration agreements.



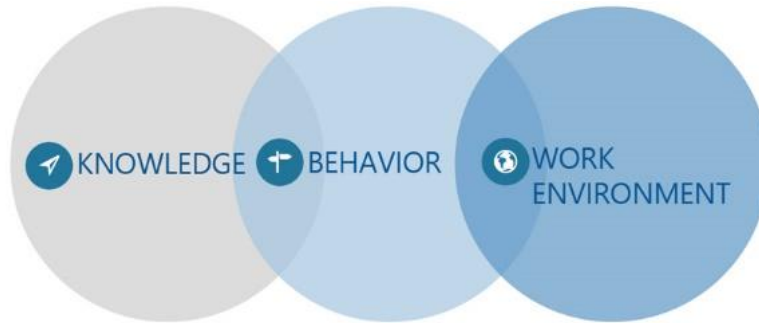


Four Pillars of Employee Relations

Many organizations boast that their employees are their company's most valuable asset. However, there is still a prevalence of employee relations issues in the workforce that is stopping employees from reaching their full potential. Employee relations, known historically as industrial relations, is concerned with the contractual, emotional, physical, and practical relationship between employer and employee. Essentially, it alludes to the relationship between manager and employee, which can either be founded in mutual respect, appreciation, and trust, or fear and lack of transparency.

Companies want to avoid the latter, as employees who don't feel connected with their manager often feel less compelled to perform at their best. This is detrimental to the company because when an employee has a poor relationship with their manager—especially one that is founded in fear or lack of trust—will risk becoming disengaged.

1. In any relationship, communication is the key. Employees spend the majority of their days at work, so it's important that they feel comfortable with their manager and fulfilled in their tasks. A common mistake management teams make is not sharing information across the organization. This demonstrates a lack of confidence and can lead to distrust. The best way to prevent this is to practice open, transparent communication.
2. Appreciation and gratitude mean a lot to your employees, and the truth is that reinforcing good work is what inspires them to keep it up. Positive reinforcement is essential for helping employees understand that their contributions are being noticed and appreciated. Employees also need to feel that the rest of the organization values their work as well. Employee recognition programs are a great way to reward your top performers and to motivate the rest of your employees to reach higher.
3. Offering frequent feedback to your employees on their great work and constructive criticism on where they can improve is essential in nurturing a positive relationship with your team. Even negative feedback can help drive employee engagement, if the feedback is delivered appropriately and is paired with suggestions as to how an employee can develop new skills and improve his or her performance.
4. Show employees that you care about them as people, not just as labor workers. Expressing that their fulfillment is important to you on a professional and personal level is a big statement that will elicit their respect and keep them engaged. High-performing organizations are constantly looking for new ways to improve their corporate culture and show employees that they are valued not only as employees, but as individuals, too.



Culture of Excellence

The correct focus for a performance management system is to develop a **culture of excellence**.

Culture is critically important to business success; in fact, research findings also suggest strong correlations between the success of performance management programs and whether culture was leveraged in the performance management process; pointing to the need for a more culture-oriented approach to continuous improvement.

However, there is a clear disparity between the way business leaders view culture and the way they actually address it. Many organizations are not effectively managing culture, and most need a major cultural overhaul to improve performance management programs.

Based on a recent study by Strategix.xyz, we learned that more than half of the employees (54%) felt that their company's performance management system was not effective. In other words, performance is not well-managed.

This perception is likely to demotivate employees, creating feelings of anguish or frustration that negatively affect their performance, which ultimately defeats the whole purpose of designing and setting up an effective system in the first place.

Organizational leaders can take steps to enrich cultural attitudes toward high performance and increasing effectiveness and more effectively leverage their culture. The objective is to create a culture of excellence.

Performance management is a process by which managers and employees work together to plan, monitor and review an employee's work objectives and overall contribution to the organization.

Much more than just an annual performance review, performance management is the continuous process of setting objectives, assessing progress and providing on-going coaching and feedback to ensure that employees are meeting their objectives and career goals.

"A positive attitude causes a chain reaction of positive thoughts, events, and outcomes. It is a catalyst, and it sparks extraordinary results." - Wade Boggs

Conclusion

The essence of employee relations is an ongoing, relationship-building process, which takes time, talent and effort by supervisors, managers and employees. The desired destination for human resource professionals is a combination of employee engagement, employee involvement and job satisfaction that leads to good employee morale, enhanced productivity, reduced absenteeism and turnover, and recruitment and retention of employee talent. See, Managing for Employee Retention.



Employee engagement means creating a work environment that empowers employees to make decisions that affect their jobs. See, Developing and Sustaining Employee Engagement.

Employee involvement is often used synonymously with employee engagement and has been defined as the extent to which employees commit to something or someone in their organization, how hard they work and how long they stay as a result of that commitment.

Companies should assess the labor relations and PR risks of unionization and address them. They should consider geography, industry and competitors, and analyze engagement and treatment within their organizations to determine how vulnerable they are to union organizing,

Tread carefully, some public relations risks are entirely new. There's now the risk that President Donald Trump may tweet something unfavorable about a company that moves operations out of the country, and the stock price will get hammered.

Job satisfaction generally means the way employees feel about their employment relationship. In a 2012 survey conducted by [SHRM](#), employees and human resource professionals agreed that compensation, benefits and communication between management and employees were among the top five "very important" aspects of job satisfaction.



HR and managers can take simple steps to improve engagement and treatment within an organization, and these include: Being approachable, Resolving problems early with open-door policies, Ensuring safety programs are active, recognizing employees for outstanding performance.

Additionally, Training supervisors, Ensuring management communicates with front-line employees, Auditing for consistent policy administration and trust in supervision.

Employers that do these things will be a "long way down the road" toward employee engagement, and "then can think about more strategic plans."

["People don't care how much you know until they know how much you care."](#) – John C. Maxwell