

LABOUR RELATIONS MANAGEMENT AND PRODUCTIVITY

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ORDER OF PRESENTATION

- ▶ Introduction
- ▶ Role of Trade Unions in Enhancing Productivity
- ▶ Empirical Evidence
- ▶ Way Forward

INTRODUCTION

- ▶ COTU (K) envisions a decent worker with high quality of life
- ▶ Our Mission revolves around activities that improve labour relations within the frameworks of the ILO standards
- ▶ We are therefore ambassadors of Decent Work!

ROLE OF TRADE UNIONS IN ENHANCING PRODUCTIVITY

As we champion for decent work, we enculture a productive worker by:

1. Advocating for quality and productive job creation with stable income
2. Upholding the Basic Rights and Fundamental Freedoms of the workers
3. Promoting Social Protection for All
4. Strengthening Social Dialogue

EMPIRICAL EVIDENCE

Several empirical evidence clearly demonstrate that labour management (the key decent work focus) is the central and cornerstone of industrial/firm productivity. We provide such evidence.....

EMPIRICAL EVIDENCE 1

An empirical analysis of French firms (Gilbert Cette et al. 2012) shows that:

“**Labour relations quality** at branch or firm levels is **key** to **productive performance**”. And that “**the evidence of such good relations lies in the existence of binding CBAs** at firm levels”. In particular:

- ❖ Workforce or union opposition has a negative significant impact on Total Factor Productivity (TFP)
- ❖ Enforcement of regulatory constraints positively impacts on TFP

EMPIRICAL EVIDENCE 2

While linking Productivity, Fairness and Industrial Relations, David Peetz (2012) asserts that:

“In any specific workplace, industrial relations and the decisions the management makes have notable effects on firm productivity and that Government policies should promote trade unionism, widen the extent and scope of CBAs and abolish individual contracting”

EMPIRICAL EVIDENCE 3

While assessing the Impact of HRM Practices on Turnover, Productivity, and Corporate Financial Performance, Mark A. Huselid (1995) shows that:

“HRM Practices are **Economically and Statistically Significant Determinants of** Turnover, Productivity and Financial Performance of a firm”

EMPIRICAL EVIDENCE 4

While focusing on HRM, Planning and Strategies, Recruitment and Selection as a way of inducing productivity:

❖ Hambrick et al. (1989); Galbraith and Merrill (1991); Fisher & Govindarajan (1992); Gomez-Mejia (1992) and Marianne J. Koch & Rita G. McGath (1994) found out that

“the way a firm manages its HR/HC is central to the execution of its Strategies and Productivity”

EMPIRICAL EVIDENCE 5

While looking at Labour Management Relations and Productivity as a Framework for Success, Daniel F. Burton Jnr & Sylvia A. Hewlett (1983) found out that:

- ❖ “Worker participation programs fosters an environment that leads to productivity while enhancing employee job satisfaction”
- ❖ “Full engagement of employees through high level contacts provokes Higher Productivity; Better Customer Service and Lower Turnover”

THE WAY FORWARD.....

From the empirical evidence, Africa should induce industrial/firm/labour productivity through Proper HR/HC Management, Planning and Strategies (Labour relations). This involves:

- ❖ Promoting Workforce unionization and enforcement of labour laws through Binding and Unrestricted CBAs
- ❖ Promoting fair HRM practices such as: Development, Involvement; Rewards; Incentives; Compensations; Appraisals etc.
- ❖ Bringing to an end Outsourcing and All forms of Temporary employment

THANK YOU IN SOLIDARITY
AND WISH TO SEE A DECENT
WORK PRODUCTIVE AFRICA!