

Why SA labour relations are the worst in the world

South Africa has the worst labour-employee relations in the world, ranking 137 out of 137 countries, according to the World Competitiveness Report 2017-2018 released by the World Economic Forum.



© 123RF.com

Gawie Cillié, employment relations expert and lecturer at the University of Stellenbosch Business School (USB) says the alarming result is directly linked to the low levels of trust between employers and employees in South Africa – a mistrust that has been cultivated over many years. This coupled with poor reliance on professional management, the country's capacity to retain and attract talent, as well as the high unemployment and poverty levels, have all contributed to a negative labour-employee relationship.

Cillié says South Africans should be alarmed.

“The efficiency of a country's labour market is directly linked to GDP, long-term growth, overall prosperity and competitiveness on a global scale. The unhealthy state of our labour-employee relations will have a direct impact on organisational performance which can seriously threaten our ability to create a sustainable, lucrative and productive future for the next generation.”

He says that despite an enabling statutory framework and a strong tradition of collective bargaining and labour mediation dating back to the late 1970s, there is little evidence of workplace relations today living up to the stated purposes of the Labour Relations Act, i.e. "to promote orderly collective bargaining, employee participation in decision-making in the workplace and the effective resolution of labour disputes."

"There are many reasons for high levels of conflict in our labour-employee relationship, but by far the low levels of trust underpin the reality we are facing. If there is little or no trust cooperation suffers and the conflict escalates quickly resulting in a severe damage in the relationship costing money and employee efficiency.

"The lower the level of trust are, the greater the need to rely on formal rules to keep employees productive and compliant. On the other hand, if trust is high, reliance on the rules becomes less necessary. Employees tend to be more self-motivated, conflicts tend to be resolved quickly and equitable and formal rules (e.g. relating to poor work performance or ill-discipline) only have to be applied as a last resort".

"It's therefore important for organisations to become 'conflict-wise' by understanding that conflict is not only inevitable but also has the potential to strengthen communication and understanding, provide an opportunity for the collaboration of ideas, resolve differences, find common ground and build relationships."

Voice

Cillié says giving employees a 'voice' is central in developing greater trust and collaboration.

"Voice is a rare thing in organisations. Most organisational communications come from the top down through team briefings, employee surveys, problem solving groups and workforce meetings. However this is usually focussed on an obsession with outcomes rather than the inherent value of engagement.

"Management are usually so focus on the notion that knowledge is power and that they retain this power by keeping what they know to themselves. By keeping employees at arm's length, not allowing for opportunities where their decisions or authority are challenged, deliberately leaving the rules for success and failure vague, can create ingrained patterns of behaviour that further leads to a lack in trust."

He says that employees need the opportunity to influence decisions made, have clarity on why certain decisions were made by management, and be the judge on how fair they were based on the fact that no employee input was consulted at the time. Following a fair process in decision-making builds trust and commitment, trust and commitment produces voluntary co-operation, voluntary co-operation drives performance, leading people to go beyond the call of duty by sharing their knowledge and applying their creativity".

"The key driver of engagement is a sense of being valued and involved – so whether the concern is with an individual about performance or with a trade union in the context of restructuring, voice means the same in both instances."

Cillié points out that a true conflict-wise organisation needs to determine their employment relations strategy. While rules and procedures are important to provide the structure within which individuals and groups interact, the quality of a relationship is really dependant on the level of trust that exists. Management has a choice in terms of the appropriate level of rules required and the level of trust desired.

In an attempt to improve the level of trust in employer-employee relations, Cillié shares some pointers for organisations who want to view conflict as an opportunity for collaboration, rather than a clash or disruption, for the benefit of the organisation as a whole:

- Realising the potential value of conflict
- Dealing with conflicts as soon as they register themselves
- Learning how to have difficult conversations

- Keep employees, both individually and collectively engaged and informed
- Developing an organisational conflict management strategy
- Promoting conflict literacy
- Measuring conflict management styles
- Building conflict management skills
- Developing team working approaches
- Creating options for conflict resolution through internal grievance procedures that provide for 'loop-back' to collaborative processes for resolution such as internal mediation
- Embedding a new conflict management culture

For more, visit: <https://www.bizcommunity.com>