



**ST. MARY'S UNIVERSITY**  
**SCHOOL OF GRADUATE STUDIES**  
**MASTERS OF BUSINESS ADMINISTRATION**

**PRACTICE AND CHALLENGES OF LABOUR UNION IN GEOSYNTHETICS**  
**INDUSTRIAL WORKS PLC**

**BY**

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**July/2024**

**ADDIS ABABA, ETHIOPIA**

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**ADDIS ABABA, ETHIOPIA**

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## Table of Contents

<b>ACKNOWLEDGEMENTS .....</b>	<b>iii</b>
<b>LIST OF TABLES.....</b>	<b>viii</b>
<b>Acronyms/Abbreviations .....</b>	<b>ix</b>
<b>Abstract.....</b>	<b>x</b>
<b>CHAPTER ONE .....</b>	<b>1</b>
<b>INTRODUCTION .....</b>	<b>1</b>
1.1 Background of the Study.....	1
1.2 Current Situation .....	1
1.3 Background of the organization and its Labor union .....	2
1.4 Statement of the Problem.....	3
1.5 Research Questions .....	4
1.6 Objectives of Study .....	4
1.6.1 General objective: .....	4
1.6.2 Specific objectives: .....	4
1.7 Significance of the Study .....	4
1.8 Scope of the Study .....	4
1.9 Limitation of the study .....	5
1.10 Organization of the Paper .....	5
<b>CHAPTER TWO .....</b>	<b>6</b>
<b>Review of Related Literature.....</b>	<b>6</b>
2.1 Concepts of Labor Union .....	6
2.2 Objectives of a Labor Union .....	6
2.3 Role of a Labor Union in the industrial Sector: Advocating for better Working Condition and Empowering Workers .....	7
2.3.1 Political Role.....	7
2.3.2 Market Role.....	8
2.3.3 Regulatory Role.....	8
2.3.4 Democratizing Role.....	8
2.3.5 Service Role .....	8

2.3.6	Enhancement Role.....	9
2.3.7	Welfare Role .....	9
2.4	Importance of Labor Unions.....	9
2.5	Reasons for Joining Labor Union.....	10
2.6	Challenges of Labor Unions .....	10
2.7	Labor Union in Ethiopia .....	11
2.8	Concepts of Industrial Relation .....	12
2.9	Industrial Relations System .....	13
2.10	Overview of Industrial Relations.....	13
2.11	Major Actors in the Industrial Relation System .....	14
2.12	Benefit of Good Industrial Relations .....	14
2.13	Main Objectives of Industrial Relations .....	15
2.14	Industrial Relation System and Dunlop’s Contribution .....	15
2.15	Challenges in Industrial Relations .....	16
2.16	The relationship between Industrial Relation and Labor Union.....	16
2.17	Overview of Collective Bargaining.....	17
2.18	Importance of Collective Bargaining.....	17
2.19	Bargaining Impasse and Impasse-Resolution Techniques .....	19
2.20	Review of Empirical Evidence .....	19
2.21	The Role of Labor Unions .....	20
<b>CHAPTER THREE.....</b>		<b>22</b>
<b>Research Methodology .....</b>		<b>22</b>
3.1.	Research Approach and Research Design.....	22
3.2.	Data Source, Type, and Instrument for Data Collection.....	22
3.3.1	Data Source .....	22
3.3.2	Data Type .....	22
3.3.3	Data Collection Instrument .....	22
3.4	Methods of Data Analysis .....	23
3.5	Population and Sample Size Determination .....	23
3.6	Validity and Reliability .....	24
3.7	Ethical Considerations .....	24

<b>CHAPTER FOUR .....</b>	<b>26</b>
<b>. Data presentation, Analysis and interpretation.....</b>	<b>26</b>
4.1 Response Rate.....	26
4.2 Demographic information of the respondents .....	26
4.3 Collective bargaining agreement for the employees’ interest .....	28
4.4 Actions taken by labor union to protect /promote employees’ interest.....	29
4.5 The role of labor union in industrial relations .....	30
4.6 Challenges faced by the Labor Union .....	32
4.7 Conclusion .....	33
<b>CHAPTER FIVE .....</b>	<b>35</b>
5.1. Summary of Major Findings.....	35
5.2. Major findings .....	35
5.3. Conclusion .....	36
5.4. Recommendations .....	37
<b>REFERENCES.....</b>	<b>39</b>
<b>APPENDICES.....</b>	<b>i</b>
Cronbach’s Alpha of items .....	xv
Summary of responses in percentage.....	xvi

## LIST OF TABLES

Table 1: Reliability Statistics.....	24
Table 2: Frequency and percentage of respondents' demographic information .....	26
Table 3: Statistical summary of responses on collective bargaining agreement for the interest of employees.....	28
Table 4: Statistical summary of responses on actions taken by labor union to protect/promote employees' interest.....	29
Table 5: Statistical summary of responses on the role of labor union in industrial relations .....	30
Table 6: Statistical summary of responses on the labor union challenges .....	32
Table 7: Summary of mean results on the role and contribution of labor union in Geosynthetics Industrial Works PLC.....	34

## **Acronyms/Abbreviations**

AETU: All Ethiopia Trade Union

BPR: Business Process Re-Engineering

CEO: Chief Executive Officer

CELU: Confederation of Ethiopian Labor Unions

GIW: Geosynthetics Industrial Works

HRM: Human Resource Management

LU: Labor Union

SPSS: Statistical Package for the Social Sciences

## **Abstract**

*This study investigated practice and challenges of labour union, focusing on Geosynthetics Industrial Works PLC (GIW) in Addis Ababa, Ethiopia. The research aims to understand how labor unions influence workplace dynamics, facilitate conflict resolution, and promote employee welfare. Specifically, it examines the extent to which the labor union at GIW maintains peaceful industrial relations, identifies communication issues between the union and its members, and explores the challenges the union faces.*

*The study utilizes a mixed-method approach, combining quantitative and qualitative data collected from 110 union members through surveys and interviews. The quantitative data were gathered using structured questionnaires designed to capture the experiences and perceptions of union members, while qualitative data were obtained through semi-structured interviews with key stakeholders, including union leaders and management representatives. This methodological triangulation provided a comprehensive analysis, ensuring the robustness and validity of the findings.*

*Key findings indicate that effective labor union-management relationships hinge on mutual trust, communication, and commitment. However, challenges such as delayed collective bargaining and inadequate understanding of evolving work conditions persist. The study concludes that while labor unions play a crucial role in advocating for better working conditions and employee empowerment, continuous improvement in communication and negotiation processes is essential for sustaining harmonious industrial relations. The insights provided are valuable for both academic research and practical applications in improving human resource practices and labor relations within industrial settings.*

**Key words:** *Labor union, Industrial Relations, Employment relations, Industrial Democracy, Collective Bargaining*

# **CHAPTER ONE**

## **INTRODUCTION**

### **1.1 Background of the Study**

Labor unions are essential intermediaries in workplace disputes, utilizing formal arbitration and grievance procedures to resolve conflicts. This structured approach ensures that employee concerns are addressed fairly and efficiently, promoting a harmonious work environment. Their contribution is vital for fostering a positive working environment, ensuring smooth employer-employee relationships, and safeguarding the interests of both parties, guided by national labor laws (Fossum, 2006).

Industrial relations encompass the interactions between businesses, employees, and governing bodies. It involves the study of institutions formed as a result of these interactions, such as labor unions and business organizations, focusing on the relationships between management and workers (Snape & Redman, 2012). Collective bargaining, defined by Flanders (1970), serves as a social process that transforms disagreements into agreements, establishing rules and decisions on mutual concerns (Armstrong, 2006).

This study assessed the labor union playing its role in maintaining good industrial relation in the case of Geosynthetics Industrial Works PLC.

### **1.2 Current Situation**

In recent years, the landscape of labor relations has evolved significantly due to globalization, technological advancements, and changing workforce demographics. The COVID-19 pandemic further transformed workplace dynamics, highlighting the importance of labor unions in advocating for employee rights, safety, and well-being. Many industries have experienced shifts towards remote work, automation, and new forms of employment, which have introduced fresh challenges in industrial relations (World Economic Forum, 2020; International Labor Organization, 2021).

The current situation also sees labor unions facing pressures from both employers and employees. Employers often seek to reduce costs and increase flexibility, sometimes at the expense of traditional labor protections (OECD, 2020). Conversely, employees demand greater job security, fair wages, and improved working conditions (ILO, 2021). In this complex environment, labor unions play a critical role in balancing these competing interests and ensuring that workers' voices are heard.

### **1.3 Background of the organization and its Labor union**

Geosynthetics Industrial Works PLC (GIW), established in October 2005 as a joint venture between the state-owned Ethiopian Water Works Construction Enterprise (EWWCE) and an American/Egyptian company, Golden Trade, with a capital of 44 million Br, started operations in February 2006; the agreement establishing the company was signed by Bekele Gadisa, general manager of EWWCE, and Ayman Essa, owner of the foreign company.

The new company's factory had been constructed on a 4,000sqm plot in Akaki-Kaliti District in Addis Ababa at the premises of EWWCE. The factory produces plastic pipes, plastic sheeting and other materials used for the protection, collection delivery and containment of water resources.

The company was designed to facilitate correct and economical utilization of water resources incorporating the concept of water conservation, elimination of wastage in distribution and to fill void in the Ethiopian market for a supplier of high quality products, such as plastic pipes, plastic sheets and various offer products known as “Geosynthetics” which is used for the protection, collection, delivery, containment of water resources and soil protection.

At present, expansion has been executed and the company’s paid-capital reaches 72 million and this brings the company’s capacity 2 fold. Currently; the company is major supplier of high quality plastic products such as different pressure class U-PVC and HDPE pipes, up to 2.0mm thickness Geomembrane sheet commonly known as “Geosynthetics for the protection, collection, Delivery, containment of water and soil.

The company constitutes of managers, engineers, marketing and sales experts, office support personnel and manufacturing plant workers providing a high level expertise and customer satisfaction by supplying quality products. It has 243 permanent employees of different educational qualification and background.

According to Ethiopian labor proclamation 377/96, GIW labor union was established on October, 2007, with 59 members, at present the union has 152 members.

The union has its own regulation, which has been recognized by Federal Democratic Republic of Ethiopia Ministry of Labor and Social Affairs. The labor union management team are categorized in to three major teams: basic trade union general assembly (which is the highest authority in the union), audit committee and the union executive committee which is organized by chairperson, Vice chairperson and secretary.

## **1.4 Statement of the Problem**

Labor unions influence managerial attitudes towards labor relations, and their effectiveness depends on mutual cooperation between unions and management (Ivancevich, 2008). Effective management-union relationships are associated with trust, mutual commitment, and good communication (Johnstone et al., 2004). However, challenges arise when cooperative practices favor business interests over employee welfare, leading to conflicts (Kelly, 2004).

The Labor union is a major component in the system of employment relations in any country, each having their own set of objectives or goals to achieve according to their constitution and each having their own strategy to reach those goals (Ghosh & Geetika, 2007). The goal of labor union is to influence managerial attitudes and behavior towards the labor relations. If the management is very anti-union, the negotiation and administrative process will not go smoothly. The union is the other focal organization in effective collective bargaining relationships. Union officials and management interact daily and at contract time. Union and managerial attitude towards each other affect the degree of peace and effectiveness that can exist in labor management relations. An organization will not operate effectively unless it has a stable and relatively harmonious relationship with its employees. Conflict and disaffection will lead, almost inevitably, to high staff turnover, poor attendance, lack of involvement and other indicators of poor performance (Stredwick 2005).

Currently, in GIW, the labor union is actively involved in providing loans/credits for its members during holidays and different home appliances. Its involvement in addressing specific needs of its members is unsatisfactory and also the relation with the management is not smooth. There are gaps in the proper implementation of the Collective Agreement by the Management Side. There are also gaps on the labor union leaders in understanding the current realities and changing working conditions of the organization. In this regard delays in collective bargaining and reaching on mutual agreement upon collective bargaining are the major problems observed in GIW.

This study addresses gaps observed at Geosynthetics Industrial Works PLC, such as issues in implementing the Collective Agreement, strained relations with management, and labor union leaders struggling to comprehend evolving working conditions. Delays in collective bargaining have been identified as significant problems during preliminary research and interviews with labor union members. The study aims to assess the role, challenges, and importance of the labor union in maintaining industrial relations within the specific context of GIW.

## **1.5 Research Questions**

To address the roles and challenges of the labor union in GIW's industrial relations, the study focus on the following research questions:

- To what extent does the labor union play a role in maintaining peaceful industrial relations?
- What communication problems exist between the labor union and its members?
- What challenges does the union face in playing its role?
- How can the current employment relation in GIW be characterized in terms of the interaction between the labor union and management?

## **1.6 Objectives of Study**

### **1.6.1 General objective:**

To examine the role of the labor union of Geosynthetics Industrial Works PLC in maintaining good industrial/employment relations.

### **1.4.2 Specific objectives:**

- To measure the extent to which the collective bargaining agreement address the employees 'interest.
- To evaluate the extent to which the labor union protects or promotes employees 'interest as per the collective bargaining agreement and the provisions of the labor proclamation.
- To assess the role of the labor union in maintaining industrial peace and reducing conflicts.
- To identify challenges faced by the labor union with regard to industrial relations

## **1.7 Significance of the Study**

This study contributes to understanding the practice and challenges of labor union, providing insights into the unique context of GIW. The findings can aid managers in improving human resource practices, enhance management-union relations, and serve as a resource for further research. The study is beneficial for GIW's management and labor union, offering concrete information to improve their relationship and address challenges, ultimately promoting harmonious employment relations.

## **1.8 Scope of the Study**

For the purposes of this study, a sample of 110 labor union members was selected from the total of 152 unionized employees at Geosynthetics Industrial Works PLC. These participants were drawn from various

operational and administrative departments within the organization. The study focused on evaluating the labor union's role and contribution to maintaining peaceful industrial relationships between employees and management at GIW.

### **1.9 Limitation of the study**

Even though the existence of labor unions is common in organizations, there is a lack of documented data in relation to the role of labor union as well as a lack of adequately published text books and empirical studies especially that can elaborate in Ethiopian context. The limitation was directly related with time, budget and availability of resources.

### **1.10 Organization of the Paper**

The research study was organized into five chapters. Chapter one provided an introduction, including the background of the study, statement of the problem, research questions, research objectives, significance of the study, delimitation/scope of the study, definition of key terms, and organization of the study. Chapter two reviewed the relevant literature, enhancing the knowledge and understanding of the research area. Chapter three detailed the research methodology, including the data collection procedures and sampling techniques. Chapter four presented the analysis of the results and the interpretation of the data. The final chapter, chapter five, offered conclusions and recommendations based on the research findings.

## **CHAPTER TWO**

### **Review of Related Literature**

The literature review component of this study generally examines the theoretical and empirical evidence regarding practice and challenges of labor union.

#### **2.1 Concepts of Labor Union**

The term “union” has its roots in the Latin word “syndicus” and the Greek one “sundikos”, both of them naming a person who assists somebody in justice that is an official. Trade unions stand for the materialization of fundamental right to association and an important piece in the process of establishing the uprightness between social partners (Stefan Celmare, 2009)

Labor unions or Trade unions are organizations of workers that are dedicated to protecting workers who are members and uses collective action to advance their members ‘interest in regard to improving their wages, hours, and working conditions (Ivancevich: 2008).

Similarly, another scholar Decenzo and Robbins (2005) define labor Union is an organization of workers acting collectively seeking to promote and protect its mutual interests through Collective Bargaining (Decenzo and Robbins: 2005).

#### **2.2 Objectives of a Labor Union**

Since a labor union is an organization acts as an intermediary between its members and the business that employs them, the main purpose of labor unions is to give workers the power to negotiate for more favorable working conditions and other benefits through collective bargaining. The Union protection and promotion basically revolve around four specific goals, first as it is traditionally viewed unions bargain for their members in the areas of wage, working hours, working conditions; the result determines the amount of pay, the hours of employment amount of work. The second goal is to influence the administration of rules, a union not only is a representation of worker but also provide rules that define channels in which complains and concerns of workers can be registered. Thirdly unions have a goal to ensure employment security and finally to obtain political power in the state and over the economy (DeCenzo and Robbins: 1988).

Furthermore, Industrial Relation highlights that labor unions are formed mainly to represent individual workers when they have a problem at work and to help sorting out the difficulty with the manager or employer. During the last few years Trade unions increased the range of services they offer their members beyond representation and negotiation and tend to focus more to provide training courses for their members on employment rights,

health and safety and other issues. As well as offering legal advice on employment issues, one of the earliest functions of trade unions was to look after members who hit hard times. Some of the older unions offer financial help to their members when they are sick or unemployed. (Ivancevich: 2008).

According to Gary Dessler (2014), unions have two sets of aims, one for union security and one for improved wages, hours, working conditions, and benefits for their members.

In general, trade union has two major objectives: regulate the relations between employer, among Employees or between Employers & workers and the other one is impose restrictive conditions on the conduction of any trade or business (Stivastava; 2007).

### **2.3 Role of a Labor Union in the industrial Sector: Advocating for better Working Condition and Empowering Workers**

The role of labor union in the industrial sector fight for better wages, reasonable hours and safer working conditions. The main purpose of labor unions is to give workers the power to negotiate for more favorable working conditions and other benefits through collective bargaining. When there is dissatisfaction of workers with their economic and working conditions and perceives that they lack the influence to change these conditions, a trade union 's role is to improve the employment conditions of its members and to protect their rights. It takes account of its members' wishes and insures them against problems at work (Dundon & Rollinson, 2011).

To maintain the interests of members, labor unions must be strong in bargaining and negotiating with management or employers. On the other hand, the roles of labor unions go beyond collective bargaining. Union membership provides a number of advantages to workers. Unions negotiate wages & benefits for their members and seek to provide them job security, social affiliation, training & development, and the opportunity to exert political influence. And, these are the most important roles of unions (Anthony, Kacmar & Perrewe, 2010).

Lwam Messele (2017) illustrated the general role of labor union into seven major pointes as showed below (i.e. political, market regulatory, democratization, service enhancement and welfare).

#### **2.3.1 Political Role**

Labor unions focus on to influence the political decisions of a nation in relation to labor. Strong political participation or political role of labor unions can help them influence the government in passing labor related legislations. On the other hand, politically affiliated union leaders may affect the interests of their members, when contesting issues are raised nationally. For instance, the wage and salary determination which is dependent on economic conditions of a nation may need political decisions that may affect the financial

conditions of union members. Therefore, political role if not properly managed by union leaders may create conflict of interest (Harrison, 2001).

### **2.3.2 Market Role**

Labor unions can play a pivotal role in labor market through wages and salaries negotiated with employers. Especially, if there are many wage earners in the country, the role of labor unions in regulating labor market will be very influential. Therefore, labor unions have an influential in determining the labor market of a country. The labor union participates in the determination of wages and salaries to maintain the interests of members within their limit. However, if they have more bargaining power, they will benefit their members more and play their role as expected (Monappa, 2000).

### **2.3.3 Regulatory Role**

The regulatory roles of unions are focusing on how to improve and manage the issues of employment conditions. In this case, labor unions negotiate or bargain with management to share power and produce procedures in the issues of grievance handling, job evaluation, safety & health etc. Such a role is an important role so as to maintain a secured and safe working environment for workers. The employment conditions that need to be improved must be identified with objective assessment and the labor union must allow members to involve in the assessment as the representatives may not have full information and knowledge about, for instance, in jobs that need to be evaluated (Kaufman, 2000).

### **2.3.4 Democratizing Role**

Labor unions are associations of employees who are exercising democracy while they are selecting their leaders and representatives in workplace. These and the collective bargaining activities allow employees to participate and exercise democracy. Therefore, it is possible to say that labor unions are important institutions in which participatory democracy is practiced. Labor union participation in collective bargaining process is helpful to practice and make it a habit of democracy which may in turn helps to maintain peace in the organization (Gollan and Patmore, 2002). Industrial Democracy is based upon the belief that workers are the citizens of the corporation, and democratic processes require their representation and participation primarily through independent worker representatives (Webb and Webb, 1898; Kaufman, 2000).

### **2.3.5 Service Role**

Beyond collective bargaining, labor unions attempt to develop services which can create wealth to their members such as transport services, banks and the like. Members can benefit from these services in different

manners. The labor union can provide interest free credits and other credit facilities, the purchase of goods and other materials affordable to members. Moreover, the services that will be offered to the members may be with fair price as they have shares (Hodgetts & Hegar, 2005).

### **2.3.6 Enhancement Role**

Labor unions play an important role to enhance their members 'career development opportunities. This can be realized through basic training opportunities delivered for members. The role of labor union in members 'enhancement can be determined by their participation and involvement in employee training and development packages. The more the participation of the labor union in the training and development packages, the more the benefit they will get in developing their members so as to cultivate career development (Fossum, 2006).

Unions make efforts to launch educational programs for workers to enhance their knowledge of the work environment and to inform them about issues concerning them, particularly those regarding their rights and responsibilities and regarding procedures and systems that exist in the workplace for redressing grievances. And, many large unions publish a newsletter or a magazine, with the main aim of clarifying their policy or stance on certain principal issues, as well as to pass on information about their activities (Monappa, 2000).

### **2.3.7 Welfare Role**

Labor unions may sometimes participate in welfare services to their members and other Communities. These roles are helpful to providing services that are beyond the collective agreements like hiring disabilities from the community (Sobczak, 2007). Many unions are engaged in a number of welfare activities, such as providing housing and organizing cooperative societies to improve the quality of workers' lives (Monappa, 2000).

## **2.4 Importance of Labor Unions**

The individual employee possesses very little bargaining power as compared to that of his employer. A labor union enables Greater Bargaining Power because the threat or actuality of a strike by a union is a powerful tool that often causes the employer to accept the demands of the workers for better conditions of employment. Relatively the desire for self-expression is a fundamental human drive for most people. All of us wish to share our feelings, ideas and opinions with others. Similarly, the workers also want the management to listen to them. A trade union provides such a forum where the feelings, ideas and opinions of the workers could be discussed. It can also transmit the feelings, ideas, opinions and complaints of the workers to the management. The collective voice of the workers is heard by the management and give due consideration while taking policy decisions by the management (Bacon & Blyton: 2006)

On top of that, the decisions regarding pay, work, transfer, promotion, etc. are highly subjective in nature. The personal relationships existing between the supervisor and each of his subordinates may influence the management. Thus, there are chances of favoritisms and discriminations. A trade union can compel the management to formulate personnel policies that press for equality of treatment to the workers. All the labor decisions of the management are under close scrutiny of the labor union. This has the effect of minimizing favoritism and discrimination (Cote: 2013).

## **2.5 Reasons for Joining Labor Union**

The employees may join the unions because of their belief that it is an effective way to secure adequate protection from various types of hazards and income insecurity such as accident, injury, illness, unemployment, etc. The trade union secure retirement benefits of the workers and compel the management to invest in welfare services for the benefit of the workers (Robert & John:2010).

The employees can participate in management of matters affecting their interests only if they join trade unions. They can influence the decisions that are taken as a result of collective bargaining between the union and the management. Many employees join a union because their co-workers are the members of the union. At times, an employee joins a union under group pressure; if he does not, he often has a very difficult time at work. On the other hand, those who are members of a union feel that they gain respect in the eyes of their fellow workers. They can also discuss their problem with the trade union leaders (DeCenzo and Robbins, 1988).

## **2.6 Challenges of Labor Unions**

Since the 1980s and the 1990s, the labor movement in Africa has been facing several daunting challenges in their effort to protect workers' rights and the rights of the weak, the poor and the vulnerable in society. In most countries in Africa, trade union density remains low and union membership has been declining due to the rapid rate of in formalization and casualization of work (Bassey:2012).

Trade unions have passed through periods of time in which workers were exposed to serious predicaments or challenges in their efforts to improve employment and working conditions. Generally, Trade unions' challenges have been categorized in to internal and external challenges. Internal challenges encountered by trade unions at different levels comprise of shortage of knowledgeable manpower, finance, technical capacity and inadequacy of knowledge about good governance. The low-level of development of democratic culture is a hindrance to the promotion of good governance in many establishments. Workers or trade union leaders has been lagging behind the economic policy changes. At times, worker's expectations for salary/wage increments

and improved conditions of work do not seriously take into account issues, which may endanger the existence of the undertaking. Productivity and the paying capacity of the undertakings are not seriously considered on many occasions when proposals are made for salary / wage increments and improved working conditions. (Assefa; 2003)

The negative attitude of employers towards unionization and the attempts made by such employers to trespass some provisions of the proclamation constitute serious external challenges to trade union activities. In recent years, trade unions have been affected, by the backlash of privatization structural adjustment programs the effects of which have included staff reductions in the public sector where trade union presence was most significant. Lack of capacity of law enforcement institutions, e.g. The Labor Inspectorate, and delays in decisions of judicial institutions pose serious external problems to worker's organizations. The other some of external challenges are the inexistence of real free and democratic workers' and employers' organizations, disrespect to the rights to organize and collective bargain, and in securing due legal and institutional support. (Bassey; 2012).

## **2.7 Labor Union in Ethiopia**

Assefa (2003) on his Ethiopian trade union Country report illustrated that in Ethiopia trade unions have been in existence for more than half a century and have gone through ups and downs in their endeavor to improve the conditions of work of their members. Ethiopian works started being organized in an economic situation dominated by foreign employers who attempted to operate in modes of the colonial era although Ethiopia has never been colonized. The promulgation of the 1963 Labor Relations Decree created an important landmark in the history of trade unionists in the country as it gave legal recognition to unions. One requirement set by law for the recognition of unions was clearance and registration by the registrar of unions. From 1963 until the downfall of the feudal regime, plant unions were directly organized under one confederation, the Confederation of Ethiopian Labor Unions (CELU). Agitation from socialist political groups resulted in the passing of the leadership of the central organ of the trade unions /Confederation of the Ethiopian Labor Unions (CELU)/ to socialists. Revolutionary objectives were emphasized as a reaction to arbitrary, restrictive controls imposed by the rule makers of the previous regime on labor movements and conditions of work. Revolutionary potentials have been at their heights in the early days of the Dergue regime. (Assefa: 2003)

However, this was short-lived as the Dergue organized elections, which it maneuvered to have its own supporters elected. In December 1975, a new law embracing socialist principles was enacted by the Dergue

regime, which claimed to be a protagonist of the interests of the working class. Unions were formed on the basis of the particular industry to which workers belonged, e.g., manufacturing, construction etc (Assefa: 2003)

At the apex of the structure the —All Ethiopia Trade Union (AETU) was formed in 1976 by a congress constituted by representatives of territorial and industrial unions. Without much delay the regime resorted to controlling union affairs under the pretext of giving protection to the working class from its —traditional foes. This resulted in making trade unions extensions of government institutions. Unions were increasingly involved in paving the way for enforcement of government rules and regulations without having any independent stand of their own. The history of trade unionism in Ethiopia has always been about unionism in private and state owned establishments. Public servants have never acquired legislative rights to organize and bargain. Historically, the public service took the lead in providing privileges, rights and amenities to its work force. Position classification, standardization of wages and pension rights preceded comparative advantages in the private sector. Selection for job openings and advancements were based on merit under the civil service laws (since 1963) and workers in establishments governed by these laws also gained protection against unfair discharge. Thus, there was no urgency or urgent need for being organized. Moreover, government 's attitude towards unionization of public servants has never been favorable (Assefa: 2003).

## **2.8 Concepts of Industrial Relation**

Industrial relations may be defined as the relations and interactions in the industry particularly between the labor and management as a result of their composite attitudes and approaches in regard to the management of the affairs of the industry, for the betterment of not only the management and the workers but also of the industry and the economy as a whole.

The term industrial relations explain the relationship between employees and management which stem directly or indirectly from union-employer relationship.

Industrial relation is the relation in the industry created by the diverse and complex attitudes and approaches of both management and workers in connection with the management of the industry.

Industrial relations or employment relations is the study studies the employment relationship; that is, the complex interrelations between employers and employees, labor/trade unions, employer organizations, and the state.

industrial relations generally refer to the laws, duties and employer and labor union obligations in a union work environment. Employee relations typically refers to laws, duties and employer obligations in a nonunion work

environment. Industrial relations commonly involve three parties: the employee, employer and the union. With employee relations, just the employee and employer are parties to the working relationship.

## **2.9 Industrial Relations System**

The idea of a 'system' is used in an abstract manner and the notion is helpful when analyzing and describing an interrelated set of activities. Also he described that Based on the most famous formulation of industrial relations as a 'system' is given by Dunlop (1970): Every industrial relations system involves three groups of actors: (1) Workers and their organizations, (2) Managers and their organizations, and (3) Government agencies concerned with the workplace and the work community. Every industrial relations system creates a complex of rules to govern the workplace and work community. These rules may take a variety of forms in different systems – agreements, statutes, orders, decrees, policies, practices, customs. The form of the rule does not alter its essential character: to define the status of the actors and to govern the conduct of all the actors at the workplace and work community. This idea also supported by B.B. Mahapatro (2010), a sound industrial relations system is one in which relationships between management and employees (and their representatives) on the one hand, and between them and the State on the other, are more harmonious and cooperative than confliction and creates an environment conducive to economic efficiency and the motivation, productivity and development of the employee and generates employee loyalty and mutual trust. Industrial relations seek to balance the economic efficiency of organizations with equity, justice and the development of the individual, to find ways of avoiding, minimizing and resolving disputes and conflict and to promote harmonious relations between and among the actors directly involved, and society as a whole. The rules, processes and mechanisms of an industrial relations system are found in Sources such as laws (legislative, judicial, quasi-judicial), practices, customs, agreements and arrangements arrived at through a bipartite or tripartite process or through prescription by the State.

## **2.10 Overview of Industrial Relations**

The term 'Industrial Relations' is a broad term and many scholars define it differently: Industrial Relation is a designation of a whole field of relationship that exists because of the necessary collaboration of men and women in the employment process of industry. Industrial Relations can be referred also as to the steps an organization takes to ensure day-to-day business practices and consider the welfare of employees when making decisions (Ann Gilley, etal; 2005).

Jones and George (2006) argue that it is the activities that managers engage in to ensure that they have effective working relationship with the labor union that represent their employees' interests while the Concise Oxford Dictionary of politics defines it as Interaction between employers, employees, and the government; and the institutions and associations through which such interactions are mediated (Jones & George: 2006).

### **2.11 Major Actors in the Industrial Relation System**

According to John Dunlop in the 1950s, every industrial relations system involves three groups of actors: workers and their organizations, managers and their organizations, and government agencies concerned with the workplace and the work community.

Every industrial relations system creates a complex of rules to govern the workplace and work community. These rules may take a variety of forms in different systems – agreements, statutes, orders, decrees, policies, practices, customs. The form of the rule does not alter its essential character: to define the status of the actors and to govern the conduct of all the actors at the workplace and work community. These actors and their organizations are located within an environment - defined in terms of technology, labor and product markets, and the distribution of power in wider society as it impacts upon individuals and workplace. Within this environment, actors interact with each other, negotiate and use economic/political power in process of determining rules that constitute the output of the industrial relations system. (Tyson, 2006)

### **2.12 Benefit of Good Industrial Relations**

Labor and capital constantly strive to maximize their pretended values by applying, resources to institutions. The relationship between labor and management is based on mutual adjustment of interest and goals; it depends upon economic, social and psychological satisfaction of the parties. The higher the satisfaction, the healthier will be the relationship (Stivastava; 2007).

Thus, it is evident that good industrial relation is the basis of higher production with minimum cost and higher profits. It also results in increased efficiency of workers. New and new projects may be introduced for the welfare of the workers and to promote the morale of the people at work. An economy organized for planned production and distribution, aiming at the realization of social justice and welfare of the mass can function effectively only in an atmosphere of industrial peace. If the twin objectives of rapid national development and increased social justice are to be achieved, there must be harmonious relationship between management and labor (Kaufman:2000).

### **2.13 Main Objectives of Industrial Relations**

The main objectives of industrial relations system are to safeguard the interest of labor and management by securing the highest level of mutual understanding and good-will among all those sections in the industry which participate in the process of production. Avoid industrial conflict or strife and develop harmonious relations, which are an essential factor in the productivity of workers and the industrial progress of a country is the other objective (Stivastava: 2007).

Industrial Relations also help in rising productivity to a higher level in an era of full employment by lessening the tendency to high turnover and frequency absenteeism. Establishing and promoting the growth of an industrial democracy based on labor partnership in the sharing of profits and of managerial decisions ban individual's personality and may grow its full stature for the benefit of the industry. Also, eliminate or minimize the number of strikes, lockouts and gheraos by providing reasonable wages, improved living and working conditions, said fringe benefits (Monappa: 2000).

### **2.14 Industrial Relation System and Dunlop's Contribution**

Dunlop's model identifies three key factors for analyzing the management-labor relationship: environmental forces such as economic, technological, political, legal, and social influences on employment relationships; the characteristics and interactions of the primary actors—labor, management, and government—in these relationships; and the rules that emerge from these interactions to govern the employment relationship.

Dunlop emphasizes the core idea of systems by saying that the arrangements in the field of industrial relations may be regarded as a system in the sense that each of them more or less intimately affects each of the others so that they constitute a group of arrangements for dealing with certain matters and are collectively responsible for certain results".

In effect, Industrial relations is the system which produces the rules of the workplace. Such rules are the product of interaction between three key "actors", workers/unions, employers and associated organizations and government. The Dunlop's model gives great significance to external or environmental forces. In other words, management, labor, and the government possess a shared ideology that defines their roles within the relationship and provides stability to the system (Tyson: 2006).

## **2.15 Challenges in Industrial Relations**

DeCenzo and Robbins (1988) put about challenges in Industrial relations is the term that describes how the management and the employees of a company interact. However, it is difficult to maintain a sound Industrial relation in some organizations due to the below main challenges (DeCenzo&Robbins: 1988).

**Narrow Focus:** An employee or staff member may only view the task at hand that they have to perform to complete their job rather than viewing how the role the employee plays benefits the organization as a whole (DeCenzo&Robbins : 1988).

**Employers' Inflexibility:** Employees feel as if their creativity is being squashed or that their opinions do not matter, this can cause strife between the employees and management of the business (DeCenzo&Robbins : 1988).

**Division:** This is the final and the most important between the two groups of a business that, cause a myriad of issues such as contract negotiation problems, strikes and the required intervention of trade and labor unions. When management and employees can relate and communicate with each other, it typically alleviates the problems, such as not being able to negotiate work contract agreements or having to bring in the labor union to negotiate the terms and conditions between employees and management (DeCenzo & Robbins: 1988).

**Unnecessary Management's fears** regarding unionization include several key concerns. Firstly, management fears a reduction in power when employees unionize, as HRM decisions become subject to close scrutiny and potential challenge. Secondly, the threat of strikes is significant, as unions may use strikes as a strategic tool to gain concessions from management. Thirdly, there is apprehension about increased costs, driven by union demands for improved employee pay, working conditions, increased holidays, benefits, and better pensions, all of which add to management expenses. Lastly, management worries about potential loss of employee commitment, fearing that unions may redirect employee loyalties away from the organization towards union interests. This necessitates careful development of HRM policies to withstand union scrutiny and maintain employee engagement (DeCenzo and Robbins, 1988).

## **2.16 The relationship between Industrial Relation and Labor Union**

The major issues involved in the industrial relations process as discussed by S.C. Stivastava (2007) are terms of employment (wages, allowances bonus, fringe benefits), working conditions (leave, working hours, health safety and welfare) non employment such as discipline promotional opportunities and among others recognitions of trade unions (Stivastava :2007).

## **2.17 Overview of Collective Bargaining**

Management always needs the collective consent of its employees. Collective Bargaining is the process of negotiating wages and other conditions of employment by an organization of employee. Collective bargaining is a process by which the representatives of the organization meet and attempt to work out a contract with the employee 's union. (Ivancevich: 2008)

Collective Bargaining in the Ethiopian Labor Proclamation No 377/2003 article 124, is considered as a negotiation made between employers and workers representatives concerning conditions of work. It aims to establish by negotiation and discussion agreed rules and decisions on matters of mutual concern to employers and unions as well as methods of regulating the conditions governing employment (Armstrong: 2008).

## **2.18 Importance of Collective Bargaining**

According to S.C. Stivastava (2007) collectively bargaining could have positive as well as negative impacts however the advantages include the presence of a system based on bipartite agreement, the fact it is a quick and efficient method of settlement industrial dispute and the fact that it avoids delay and unnecessary litigation. On the other hand, the disadvantage lack of representation of the public interest at the bargaining table and there are situations in which a serious strike on a prolonged strike simply can 't be tolerated (Stivastava: 2007).

### **Importance to employees**

It becomes easier for the management to resolve issues at the bargaining level rather than taking up complaints of individual workers. Collective bargaining tends to promote a sense of job security among employees and thereby tends to reduce the cost of labor turnover to management. Collective bargaining opens up the channel of communication between the workers and the management and increases worker participation in decision making. Collective bargaining plays a vital role in settling and preventing industrial disputes (Stivastava: 2007).

### **Importance to society**

Collective bargaining contributes to industrial peace within the country by facilitating negotiations between employers and employees, leading to agreements that help prevent labor disputes. It fosters a harmonious industrial climate by establishing frameworks for resolving conflicts and promoting cooperation between labor and management. Additionally, collective bargaining serves as a check against discrimination and exploitation of workers, ensuring fair treatment and equitable conditions of employment. It provides a structured method

for regulating employment conditions that directly impact those involved, promoting stability and fairness in the workplace (Stivastava, 2007).

### **Collective Bargaining Process**

According to DeCenzo& Robbins (2010) Collective bargaining process involved in negotiating a contract consists of a number of stages: preparation and initial demands, negotiations, settlement or impasse, and strikes and lockouts. Throughout the process, management and labor deal with the terms of their relationship. Collective bargaining process includes preparing to negotiate, actual negotiations, and administering the contract after it has been ratified (DeCenzo & Robbins: 2010)

Preparing to negotiate: Information is vital from internal and external sources when the union and management are ready for preparing negotiation. Internal data include grievance and accident records; employee performance reports; overtime figures; and reports on transfers, turnover, and absenteeism (DeCenzo& Robbins: 2010)

External information crucial for labor negotiations includes economic forecasts for the short and intermediate terms, copies of recently negotiated union contracts to understand the issues prioritized by the union, data on the cost of living in communities where the company operates, changes in the cost of living over time, terms from recent labor contracts negotiated elsewhere in the industry, and industry labor statistics. These factors provide essential benchmarks and insights into economic conditions, community standards, and industry practices that influence negotiation strategies and outcomes.

Actual Negotiation: Since negotiation is a form of compromise. At this stage, an oral agreement is eventually converted into a written contract and negotiation concludes with the union representatives submitting the contract for ratification or approval from rank-and-file members (DeCenzo& Robbins: 2010)

Contract administration: After reaching an initial agreement, the bargaining parties usually return to their respective constituencies to determine if the informal agreement is acceptable. A particularly crucial stage is ratification of the labor agreement, which occurs when union members vote to accept the terms of a negotiated labor agreement. Before ratification, the union negotiating team explains the agreement to the union members and presents it for a vote. If the members approve the agreement, it is then formalized into a contract (DeCenzo& Robbins: 2010)

## **2.19 Bargaining Impasse and Impasse-Resolution Techniques**

Conciliation and Mediation: Impasse and Impasse-Resolution are techniques whereby a neutral third party attempts to help labor and management resolve their differences. In conciliation, the third party assists such as the Federal Mediation and Conciliation Service union and management negotiators to reach a voluntary settlement, but makes no proposals for solutions. In mediation, the third party may suggest ideas for solutions to help the negotiators reach a settlement. In conciliation and mediation, the third party does not attempt to impose a solution. Sometimes fact finding helps to clarify the issues of disagreement as an intermediate step between mediation and arbitration (DeCenzo& Robbins: 2010)

Arbitration: Arbitration can be conducted to solve bargaining impasses, primarily in the public-sector. Under interest arbitration, generally a panel of three individuals—one neutral and one each from the union and management—hears testimony from both sides. After the hearing, the panel renders a decision on how to settle the current contract negotiation dispute. If all three members of the panel are unanimous in their decision, that decision is binding on both parties (DeCenzo& Robbins: 2010)

Fact-finding: Fact finding is a technique whereby a neutral third party conducts a hearing together evidence from both labor and management. The fact-finder then renders a decision as to how he or she views an appropriate settlement. Similar to mediation, the fact-finder ‘s recommendations are suggestions only they, too, are not binding on either party (DeCenzo& Robbins, 2010).

## **2.20 Review of Empirical Evidence**

The findings of Atnafu, (2012) on his study on the role of labor union in promoting peaceful Industrial relation at BGI Ethiopia, can be a good example that shows the positive effect of role of labor union on employment relation. The result of the study indicated that the management had a positive attitude towards the union and there was a strong alignment of the objectives of the union with the goal of the organization. Based on the final findings, the study concluded that there was a good industrial relation climate in the company. And even far exceeding peaceful industrial relation practice, the company involved in community centered services and corporate social responsibilities to benefit the whole society.

On another hand the findings of Shewaye, (2014), on her study on the practical role of labor union on Employment relations; a case study in Addis Ababa Water and sewerage Authority, shows that labor union can be seen as weak from the standpoint of its members, if it doesn't create ways to involve and inform its members about its activities. The results of the study showed that the labor union was considered as a legitimate

representative of employees by the management and emphasis was given to securing the collective agreement on decisions made in spite of interest between both parties. On the other hand, due to the introduction of BPR, there were gaps in implementing the collective agreement and HRM manuals by the management side. However, the practical role of the labor union had a considerable contribution to the employment relations by voicing issues of employees and facilitating effective communication with the management. And, the practice of the company allowed employees to be involved in labor related issues. However, the study concluded that, the union was weak in facilitating ways to initiate members' participation and creating conducive environment to employees to assess the overall progress of the union's activity from the viewpoint of members.

The findings of Lwam Messele (2017), on her study on the Role of Labor Union in Maintaining Good Employment Relations; The Case of Ethiopian Insurance Corporation, shows that the labor union works to ensure the benefits of its members, improve financial conditions of all employees and to provide financial services for those employees who need help, indicating that the labor union is playing a vital role in maintaining sound employment relation. And the study also shows that the management and the labor union has good attitude towards each other in the process of collective bargaining. The study also concluded that the labor union is not participative enough as it is expected to be, since the labor union does not encourage members to bring employment issues that need a collective bargaining.

In addition to the above finding Sileshi Abate (2019), on his study on the Role of Labor Union in Industrial Relation: The Case of Geosynthetics Industrial Works PLC; concluded that the overall role of Geosynthetics Industrial Works PLC 's labor union in protecting/ promoting employees 'interests and settling good industrial relation in the company was found in poor level.

## **2.21 The Role of Labor Unions**

Labor unions play a crucial role in improving employment conditions and safeguarding the rights of their members (Dundon&Rollinson, 2011). The benefits of union membership include negotiating wages, ensuring job security, fostering social affiliation, providing training and development opportunities, and influencing political decisions (Anthony, Kacmar&Perrewe, 2010). Additionally, unions regulate relations between workers and employers, contributing to the achievement of organizational goals through the development of shared values (Ivancevich, 2008; Armstrong, 2008).

To build stable and cooperative relationships between management and employees, mechanisms such as industrial democracy become essential. Industrial democracy involves workers actively participating in

decision-making, sharing responsibility, and having authority in the workplace (Kaufman, 2000). The involvement of unions through collective bargaining and representation in developing labor regulations is considered crucial (Egels-Zanden, 2009). Successful collaboration between labor and management can lead to the ratification of collective agreements, resulting in a state of relative peace characterized by the absence of strikes and improved organizational productivity (Bassey, Ojua, Archibong&Bassey, 2012).

## **CHAPTER THREE**

### **Research Methodology**

#### **3.1. Research Approach and Research Design**

The purpose of this study is to examine the role of labor union in maintaining good industrial relation. So, this study used descriptive research design, since the objective of descriptive research is to gain a profile of situations (Mark & Philip, 2012). Mixed research approach was employed and involved collecting qualitative data after a quantitative phase in order to supplement the quantitative data in more depth as well as to address the research questions that could not be fully answered from the quantitative data.

#### **3.2. Data Source, Type, and Instrument for Data Collection**

##### **3.3.1 Data Source**

Data was gathered from both primary data sources and secondary data sources. Questionnaires and interviews were used as primary data collection tools in a way that they could answer the research questions. And, secondary data sources like similar studies, books, articles, journals, Ethiopian labor proclamations 377/2003, and Geosynthetics Industrial Works PLC collective agreement were used as secondary data source.

##### **3.3.2 Data Type**

This refers to the nature or format of the data. Data can be categorized as quantitative (numerical) or qualitative (non-numerical, such as text, images, audio). Data was gathered from both primary data sources and secondary data sources. Questionnaires and interviews are used as a primary data collection tools in a way that they can answer the research questions. And, secondary data sources like books, articles, journals, Ethiopian labor proclamations 377/2003 and Geosynthetics Industrial works PLC collective agreement is used as well.

##### **3.3.3 Data Collection Instrument**

Questionnaires and interviews were used as primary data collection tools in a way that they can answer the research questions.

The questionnaire is administered using a drop and pick method to the sampled respondents. Care and control is exercised to ensure all questionnaires issued to the respondents are received. To achieve this, a register of questionnaires sent, and received is maintained. And, to collect the data, the researcher got permission from the organization. Right after permission was approved, the questionnaires were distributed to the Union

members and prior arrangements with the union leaders and administrative managers were made to set appropriate schedule to conduct the interview.

### **3.4 Methods of Data Analysis**

The data collected from respondents was analyzed by using the literature review as a backup. Demographic variables in the study were analyzed using Descriptive statistics (frequencies and percentages are used to analyze. And the quantitative data collected from respondents through the questionnaires was sorted, coded, computed, and analyzed using the Statistical Package for Social Sciences (SPSS) software in the form of frequencies, percentages and mean. The results of the interview questions are incorporated to the responses of union members through questionnaires and will be analyzed accordingly.

### **3.5 Population and Sample Size Determination**

The population of the study will be all labor union members in Geosynthetics Industrial Works PLC. The study used non-probability sampling to select participants, due to the similarity of work categories and homogeneity of the respondents and direct relations with the labor union. By using convenience sampling, which is one of the types of non-probability sampling, the researcher was select and distribute questionnaires for 110 participants from the 152 members of the union. Members were selected according to their convenient accessibility and proximity to the researcher at the time of distributing the questionnaire. The sample size is calculated by using (Yamane, 1967) sample size determination formula with a 95% confidence level, which is presented as follows:

$$n = \frac{N}{$$

$$1 + N(e)^2$$

Where: n= sample size required

N = number of people in the population

e = allowable error (%)

$$n = \frac{152}{1 + 152(0.05)^2}$$

$$n = 110.14$$

$$n \approx 110$$

By using purposive sampling, which is one of the types of non-probability sampling, two (2) union leaders and two (2) administrative & operation managers, who have direct connection with the labor union activities and who are considered to be the major informants, was selected. This sampling technique will be used because it ensures that all the key constituencies of relevance to the subject matter was covered and some diversity is included so that the researcher can build upon initial quantitative results.

### 3.6 Validity and Reliability

The questionnaires were developed based on the literature review and research questions. 98 returned questioners were categorized in four groups, coded, analyzed, and a Cronobach ‘s Alpha test is identified by SPSS IBM version 2000 in four groups (group one = 0 .920, group two = 0.87, group three = 0.845, and group four = 0.895) which indicate that he instrument was reliable and there was strong internal consistency as demonstrated below:

*Table 1: Reliability Statistics*

<b>Group</b>	<b>Research Point</b>	<b>Reliability Statistics</b>
1	Results on the Collective Bargaining Agreement for the Interest of Employees	0.92
2	Results on Actions Taken by Labor Union to Protect/Promote Employees' Interest	0.87
3	Results on the Role of Labor Union in Industrial Relations	0.845
4	Results on the Labor Union Challenges	0.895

### 3.7 Ethical Considerations

In this research study, the purpose of the questionnaire and interview was clearly explained to the participants before the questions were asked and the questionnaires were distributed. The individuals were included in the sample based on their willingness to participate. Additionally, the researcher ensured that the identities and responses of the respondents remained confidential throughout the study.

### 3.8 Conclusion:

This chapter outlines a mixed-methods approach to examine the role of labor unions in maintaining industrial/employment relations at Geosynthetics Industrial Works PLC. Utilizing descriptive research and explanatory design, data were collected through questionnaires and interviews, supplemented by secondary sources. Non-probability sampling determined a sample size of 110 union members and four key informants.

Analysis involved SPSS for quantitative data and thematic analysis for qualitative insights. Validity measures included pre-testing questionnaires and member checking for interviews. Ethical considerations ensured participant understanding, consent, and confidentiality. This comprehensive approach provides valuable insights into the dynamics of labor unions and industrial relations within the organization.

## CHAPTER FOUR

### . Data presentation, Analysis and interpretation

#### 4.1 Response Rate

In this chapter, the collected data is presented, analyzed and interpreted in light of the research objectives. A descriptive technique of data analysis is employed to see the characteristics of the sample and examine the role and contribution of the labor union in industrial relation.

This chapter consists of a qualitative and quantitative analysis having five sections, which answered the four research questions raised in chapter one and demographic information of the respondents. The first subchapter deals with Demographic information, the second on Collective bargaining agreement for the interest of employees, the third is actions taken by labor union to protects /promotes employees' interest, fourth subchapter is the role of labor union in industrial relations and the last one is focused on challenges faced by the Union.

#### 4.2 Demographic information of the respondents

*Table 2:Frequency and percentage of respondents' demographic information*

Category	Subcategory	Frequency	Percentage
Gender	Male	72	73%
	Female	26	27%
Age	Less than 20	2	2%
	21-30	11	11%
	31-40	45	46%
	41-50	34	35%
	Greaterthan51	6	6%
Educational level	Below grade12	19	20%

	12completed	54	55%
	Diploma	15	15%
	Degree	8	8%
	Masters	2	2%
<b>Serviceyearin the Company</b>	Lessthan 5years	28	29%
	6-10years	38	39%
	11-15years	14	14%
	Above15years	18	18%
<b>Membership in the union</b>	Less than 5years	38	39%
	6-10years	34	35%
	11-15years	12	12%
	Above15years	14	14%

(*source: survey questioner,2024*)

As illustrated in Table 2, the dataset was derived from 98 participants, with a gender distribution of 27% females (n=26) and 73% males (n=72). This gender disparity is attributable to the higher male presence in the manufacturing and facility departments, which require more physical labor.

The age demographics reveal that the majority of respondents fall within the 31-40 age bracket, constituting 46% of the sample. This is followed by 35% in the 41-50 age group, and 11% in the 21-30 age group. A minority of participants were above 50 years old (6%) and under 20 years old (2%), indicating a predominantly young workforce.

Educational attainment among participants shows that 56% have completed grade 12, 19% have education below grade 12, 15% hold diplomas, 8% have degrees, and 2% possess master's degrees. These statistics highlight that the predominant education level is grade 12 completions.

Regarding tenure, 29% of the participants have less than 5 years of service, 39% have 6-10 years of service, 14% have 11-15 years, and 18% have over 15 years of service in the company. This indicates a diverse range of experience levels among participants, with a significant portion (39%) having 6-10 years of service.

Table 4.1 further delineates union membership duration: 35% of participants have less than 5 years of membership (n=34), 39% have 6-10 years (n=38), 14% have over 15 years (n=14), and 12% have 11-15 years (n=12). This parallels the service year distribution, with the majority having less than 10 years of union membership.

### 4.3 Collective bargaining agreement for the employees’ interest

*Table 3: Statistical summary of responses on collective bargaining agreement for the interest of employees....*

No	Descriptions	Mean result
1	The collective bargaining has been prepared through dialogue and consensus.	3.57
2	The collective bargaining increases the morale and productivity of employees.	3.41
3	The company collective bargaining restricts management's freedom for arbitrary action against the employees.	3.14
4	The labor union and the management works together to amend the collective Bargaining agreement.	2.58
5	Both the Company’s management and labor union leaders respect and apply The collective bargaining agreement.	2.47
Aggregate mean		3.03

*(source: surveyquestioner,2024)*

As depicted in Table 3, the mean score of the overall result on the collective bargaining agreement (CBA) for the interest of employees is 3.03, indicating an average mean score since the standard mean is 3.

Item number 1 recorded the highest mean score of 3.57, with 41.83% of respondents agreeing that the collective bargaining process has been conducted through dialogue and consensus.

The second highest mean score is 3.41 for item 2, where 30.61% of participants agreed that the collective agreement enhances employee morale and productivity.

The third mean score was 3.14 for item number 3, with 35.69% of respondents expressing a neutral opinion on whether the collective bargaining restricts management's freedom to take arbitrary actions against employees.

Items 4 and 5 have mean values of 2.58 and 2.47, respectively. For item 4, 35.05% of respondents disagreed that the labor union and management collaborate to amend the collective bargaining agreement, with one participant skipping this question. For item 5, 51.02% of respondents disagreed that both the company's management and labor union leaders respect and apply the collective bargaining agreement.

In summary, while the collective bargaining agreement is perceived as serving employees' interests effectively, the actions of the labor union and management in respecting and implementing the agreement are viewed as inadequate.

#### **4.4 Actions taken by labor union to protect /promote employees’ interest**

*Table 4. Statistical summary of responses on actions taken by labor union to protect/promote employees’ interest*

<b>No</b>	<b>Descriptions</b>	<b>Mean result</b>
6	The labor union makes sure that members get their proper benefits and bonuses	1.94
7	The labor union facilitate to the members to make the grievances heard.	1.96
8	The labor union actively works to facilitates good working conditions for employees.	1.98
9	The involvement of the labor union is high in employee promotion in the company.	2.15
10	The labor union straggle to protect employees from unfair dismissal.	3.23
Aggregate mean		2.25

(source: surveyquestioner,2024)

As illustrated in Table 4, the mean score summarizing responses regarding labor union actions to protect or promote employees' interests is 2.25, which is below the standard mean scale of 3.

The mean scores for questions 6, 8, and 7 are 1.94, 1.95, and 1.98, respectively. For question 6, 62.24% of respondents strongly disagreed that the labor union ensures its members receive proper benefits and bonuses. Question 8, skipped by one respondent, saw 54.63% strongly disagreeing that the labor union facilitates good working conditions. Question 7, also skipped by one respondent, had 49.48% strongly disagreeing that the union simplifies the process for members to voice their grievances.

Question 9 yielded a mean score of 2.15, with 38.77% of respondents disagreeing that the labor union is significantly involved in employee promotions within the company. Only question 10 achieved a mean score above the standard mean, at 3.23, with 30.92% of respondents agreeing that the labor union actively protects employees from unfair dismissal.

In summary, this table indicates that the labor union's actions in protecting employees' interests are generally weak, with the notable exception of its efforts to prevent unfair dismissal.

#### 4.5 The role of labor union in industrial relations

Table 5: Statistical summary of responses on the role of labor union in industrial relations

No	Description	Mean result
11	The labor union fights for better wages, reasonable hours and safer Working conditions(Market).	2.11
12	The labor union engages in lobbying governments and the agencies for Legislations that favor workers and their families(political decisions).	2.50
13	The labor union is able to bring about equality, fairness, respects for human and workers 'right, and social and economic justice no to lathe Work place brutal so in society(welfare).	2.67
14	The union helps in better mentor industrial relations among management	2.34

	and workers by solving the problems peacefully(regulatory).	
15	The union gives workers the power to negotiate for more favorable Working conditions(democratization).	2.15
Aggregate mean		2.35

(Sources: survey questioner 2024)

As depicted in Table 5, the mean score assessing the overall role of the labor union in industrial relations is 2.35, which is below the standard mean value of 3.

The lowest mean score of 2.11 was recorded for item 11, with 66.32% of respondents disagreeing that the union fights for better wages, reasonable hours, and safer working conditions for its members. This was followed by a mean score of 2.25 for item 15, where 49.41% of participants disagreed that the union empowers workers to negotiate for more favorable working conditions and other benefits through collective agreements (with one respondent skipping this item). Item 14 had a mean value of 2.29, with 35.78% of respondents disagreeing that the union aids in improving industrial relations between management and workers by peacefully resolving issues (with three respondents not answering this question).

Items 12 and 13 had mean scores of 2.53 and 2.68, respectively. For item 12, 29.16% of participants disagreed that the labor union engages in lobbying governments and their agencies for worker-friendly legislation (with two non-responses). For item 13, 39.17% of respondents disagreed that the union promotes equality, fairness, respect for human and workers' rights, and social and economic justice not only at the workplace but also in society.

Regarding qualitative feedback, 13 employees commented that union leaders neglect their responsibility to protect employees from inappropriate disciplinary actions. These leaders, elected by management based on political views, fear the company's management team and cannot administer independently without interference. They fail to advocate for employees' rights, benefits, and good working conditions, focusing instead on party duties.

A few members suggested that to improve employee-employer relations, union leaders need to be well-versed in management principles, labor laws, and collective bargaining agreements.

Employees emphasized that the relationship between employees and employers should be democratic, as authoritarian management diminishes employee morale and productivity. Management should respect employees' interests and rights, and listen to their suggestions, comments, and grievances. Due to these issues, union leaders have been ineffective in minimizing conflicts and establishing industrial peace within the company's.

Although a labor union leader acknowledged existing conflicts between management and employees, they also noted an improvement in industrial peace recently.

Overall, these findings indicate that most employees perceive the role of the labor union in industrial relations as poor. Generally, this highlights the labor union's weak role in promoting and protecting employees' interests.

#### 4.6 Challenges faced by the Labor Union

Table 6: Statistical summary of responses on the labor union challenges

No	Descriptions	Mean result
16	The management intimidations the labor union when it stands beside to the employees during employees' right violation	4.02
17	The labor union has shortage of finance	2.73
18	The labor union has shortage of knowledgeable manpower	4.72
19	The labor union leaders lag behind the economic policy changes.	3.38
20	The labor union runs its responsibility with unnecessary interference of The management in Labor Union's internal administration.	4.38
Aggregate mean		3.84

(Source: survey questioner2024)

As illustrated in Table 6, the mean score for overall responses regarding labor union challenges is 3.84, which exceeds the standard mean value of 3. This suggests that the challenges faced by the labor union are significant. The mean scores and corresponding percentages are as follows:

The highest mean score of 4.72 was recorded for item 18, indicating that 73.95% of respondents strongly agreed that the labor union suffers from a shortage of knowledgeable manpower. This was followed by question 16, with a mean score of 4.02, where 46.87% of respondents strongly agreed that management intimidates the labor union when it supports employees during rights violations.

Item 20 had a mean value of 4.38, with 53.12% of respondents strongly agreeing that the labor union operates under unnecessary interference from management in its internal administration. For question 19, the mean score was 3.38, with 37.89% of respondents agreeing that labor union leaders lag behind in adapting to economic policy changes.

The lowest mean value in this group was 2.73 for item 17, where 31.25% of respondents disagreed that the labor union faces a shortage of financial resources.

The labor union leader highlighted that some management team members, particularly the late CEO, did not treat all employees equally according to the collective agreement and proclamations. However, apart from the late CEO's group, other administrative members were cooperative and supportive of the union.

Overall, these findings underscore the significant challenges faced by the labor union, particularly in terms of knowledgeable manpower and management interference, while financial shortages appear to be a lesser concern's.

#### **4.7 Conclusion**

The study reveals that while the collective bargaining agreement at Geosynthetics Industrial Works PLC is perceived as somewhat effective in protecting employees' interests, there are significant gaps in its implementation and respect by management. The labor union faces substantial challenges including management interference, a shortage of knowledgeable manpower, and issues with financial resources. Despite efforts to promote fair treatment and good working conditions, the union's actions are generally viewed as inadequate by employees. To enhance industrial relations and better protect employee interests, it is crucial for the union to address these challenges and improve its strategies.

*Table 7. Summary of mean results on the role and contribution of labor union in Geosynthetics Industrial Works PLC*

<b>Key points of the research</b>	<b>Overall dimension of mean</b>
Collective bargaining agreement for the interest of employees	3.3
Action taken by labor union to protects/promotes employees' interest	2.24
The role of labor union in industrial relations	2.37
Challenges faced by the union	3.90

This highlights that while the collective bargaining agreement shows moderate effectiveness, actions by the labor union and its role in industrial relations are perceived as inadequate. Significant challenges, particularly related to management interference and lack of knowledgeable manpower, further impede the union's effectiveness. Addressing these areas is essential for improving the union's contribution to employee welfare and industrial relations.

## CHAPTER FIVE

### Summary, Conclusion & Recommendation

#### 5.1. Summary of Major Findings

This summary is prepared based on the major findings to summarize the main points of the research study. Questionnaire data was collected from 98 labor union members and interview was conducted for the union leader. The collected data is analyzed with the purpose of examining the role of Geosynthetics Industrial Works PLC labor union in industrial relations.

The study is intended to describe the company's collective bargaining agreement for the interest of employees, actions taken by labor union to protects/promotes employees 'interest, the role of labor union in industrial relations, and challenges faced by the union. Based on these premises, the findings of the research are summarized as follows:

#### 5.2. Major findings

Based on the Major findings from Geosynthetics Industrial Works PLC, the effectiveness and challenges of the labor union can be assessed as follows:

1. **Collective Bargaining Agreement:** The average mean value for the collective bargaining agreement aimed at benefiting employees is 3.3. This value is slightly above the standard mean value of 3, indicating that the collective bargaining agreement is generally perceived as meeting the average standard.
2. **Action to Protect/Promote Employees' Interests:** The average mean score for the actions taken by the labor union to protect and promote employees' interests is 2.24. This score is below the standard mean value of 3, suggesting that employees perceive the union's efforts in this area as weak and insufficient.
3. **Role in Industrial Relations:** The labor union's role in industrial relations received an average mean score of 2.37. This score is also below the standard mean value of 3, indicating that members judge the union's role in industrial relations as weak.

4. **Union Challenges:** The average mean score for the challenges faced by the union is 3.9. This score is significantly above the standard mean value of 3, indicating that the challenges faced by the union are substantial and exceed average expectations.

In summary, while the collective bargaining agreement is viewed as moderately effective, the union's actions to protect and promote employees' interests and its role in industrial relations are perceived as weak by the employees. Additionally, the union faces considerable challenges, as evidenced by the higher-than-average mean score for these challenges.

### **5.3. Conclusion**

The collective bargaining agreement was formulated with the mutual consent of both parties (employees and management). Although labor union members have a positive outlook on the collective bargaining agreement, which enhances employees' morale and productivity while limiting management's arbitrary actions against employees, most employees believe that labor union leaders and the company's management team rarely respect, implement, or amend the agreement.

Most members perceive the labor union's actions to protect and promote employees' interests as very poor. Specifically, the union has failed to ensure that members receive their appropriate benefits and bonuses, has inadequately facilitated members' governance to be heard, and has played a minimal role in employee promotions. However, many employees acknowledge the union's efforts in combating unfair dismissals.

The labor union has exhibited a weak role in advocating for better wages, reasonable working hours, safe working conditions, and lobbying the government for favorable legislation for workers and their families. Additionally, the labor union has struggled to bring about equality, fairness, respect for rights, and social and economic justice in the workplace and society. The union also complained that the CEO and his team failed to treat all employees equally, executing unjust decisions outside the scope of the collective bargaining agreement and proclamations. Many employees believe the labor union is ineffective in peacefully resolving conflicts between employees and management, contributing to unresolved conflicts within the company. Consequently, the labor union has played a weak role in maintaining industrial peace and minimizing conflict.

Employees strongly agreed that the labor union suffers from a shortage of knowledgeable manpower and that its internal administration is highly pressured and interfered with by the CEO. Members believe that most labor union leaders were elected based on political loyalty to the government and management, resulting in leaders

with weak confidence and inadequate capacity to update themselves with current economic policies. The union does not suffer from financial shortages.

In conclusion, the overall role of Geosynthetics Industrial Works PLC's labor union in protecting and promoting employees' interests and fostering good industrial relations within the company is considered poor, as most of the assessed scores were below the standard mean value of 3.

#### **5.4. Recommendations**

Based on the findings and conclusions drawn from the assessment of Geosynthetics Industrial Works PLC's labor union, the following recommendations are proposed to enhance the union's role and contribution:

**Respect and Application of Collective Bargaining Agreement:** Both the labor union and management should prioritize respecting and applying the collective bargaining agreement, which was formulated through dialogue and consensus. Despite its potential to boost employee morale and productivity, the agreement's effectiveness is undermined when not adhered to by both parties. Collaboration between the labor union and management is essential for effectively implementing and amending the agreement as needed.

**Ensure Proper Benefits and Working Conditions:** The labor union must ensure that its members receive proper benefits, bonuses, and good working conditions. Additionally, it should facilitate avenues for members to voice their grievances and participate in decision-making processes, such as promotions. Protecting and promoting employees' interests, including their welfare and working conditions, is fundamental to the labor union's responsibilities.

**Fulfill Major Roles of the Labor Union:** The labor union should actively engage in its major roles, such as advocating for better wages, reasonable working hours, safe working conditions, and social and economic justice. Additionally, it should lobby governments for beneficial legislations for employees and their families. Resolving conflicts peacefully is crucial to maintaining a harmonious relationship between management and employees, thereby preventing conflicts from escalating and becoming publicized issues.

**Address Major Challenges:** Addressing challenges such as management interference in the labor union's internal affairs, intimidation tactics, and the lack of knowledgeable manpower is imperative. To overcome these obstacles, union leaders should be democratically elected based on merit rather than

political loyalty, ensuring their independence from external influences. Additionally, prioritizing the election of knowledgeable members to lead the union and keeping abreast of economic policy changes will contribute to settling industrial peace and fostering positive relations between management and employees.

By implementing these recommendations, Geosynthetics Industrial Works PLC's labor union can strengthen its role and contribution in protecting and promoting employees' interests and fostering a conducive working environment within the company.

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# APPENDICES

## ST. MARY'S UNIVERSITY

### DEPARTMENT OF BUSINESS ADMINISTRATION

#### A questionnaire to be filled by union members

I am a graduate student in business administration, College of Business and Economics, at st. mary's university. I am doing my Master 's thesis on the topic

The Role and contribution of Labor union in Industrial Relations: the case of geosynthetics industrial works plc' to complete my study.

The aim of the study is to investigate the current role of the Labor Union in creating good relationship between the management and the employees. Therefore, I kindly request you to provide genuine response to the questions as per the instruction.

*N.B you don't need to write your name.*

#### Section 1 : Demographic information

Please complete the following details by checking the box that is appropriate for you.

*Please put "☐" in the box representing your choice.*

1. Gender Female  Male
2. Age <20  21-30  31-40  41-50  >50
3. Education level
- |                          |                          |                          |                          |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| < 12 grade               | 12 completed             | Diploma                  | Degree                   | Masters                  |
| <input type="checkbox"/> |

4. Number of years you have served the Enterprise

<5 years  6-10 years  11-15 years  more than 15 years

5. Number of years you have been a member of the labor union

<5 years  6-10 years  11-15years  more than 15 years

To what extent do you agree with the following statements regarding the industrial relation in your organization? Please put “” in the box representing your choice

Section 2: Collective bargaining agreement for the interest of employees

		Strongly disagree (1)	Disagree(2)	Neutral(3)	Agree(4)	Strongly agree(5)
1	The collective bargaining has been prepared through dialogue and consensus.					
2	The collective bargaining increases the morale and productivity of employees.					
3	The enterprise collective bargaining restricts management's freedom for arbitrary action against the employees					
4	The labor union and the management works together to amend the collective bargaining agreement					
5	Both the Enterprise's management and labor union leaders respect and apply the collective bargaining agreement					

Section 3: actions taken by labor union to protects /promotes employees' interest

6	The labor union makes sure that members get their proper benefits and bonuses					
7	The labor union facilitate to the members to make their grievances heard.					
8	The labor union actively works to facilitate good working conditions for employees.					
9	The involvement of the labor union is high in employee promotion in the enterprise.					
10	The labor union struggle to protect employees from unfair dismissal.					

Section 4: The role of labor union in industrial relations

		Strongly disagree(1)	Disagree(2)	Neutral(3)	Agree(4)	Strongly agree(5)
11	The labor union fights for better wages, reasonable hours and safer working conditions.					
12	The labor union engages in lobbying governments and their agencies for legislations that favor workers and their families.					
13	The labor union is able to bring about equality, fairness, respects for human and workers' right, and social and economic justice not only at the workplace but also in society.					
14	The union helps in betterment of industrial relations among management and workers by solving the problems peacefully					

15	The union gives workers the power to negotiate for more favorable working conditions and other benefits through collective bargaining.					
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Section 5: Challenges faced by the Union

16	The management intimidates the labor union when it stands beside to the employees during employees' right violation					
17	The labor union has shortage of finance					
18	The labor union has shortage of knowledgeable manpower					
19	The labor union leaders has been lagging behind the economic policy changes.					
20	The labor union runs its responsibility without unnecessary interference of the management in Labor Union's internal administration.					

How do you describe your labor union in maintaining industrial peace and minimizing conflict?

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What do you suggest to improve labor-management relation in your enterprise?

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Thank you very much!

# ቅድሳት ማርያም ዩንቨርስቲ

## የቢዝነስ አስተዳደር የትምህርት ክፍለ

በሠራተኛ ማህበሩ አባሊት የሚሞላ መጠይቅ

እኔ ህሊና ፍቃዱ በቅድሳት ማርያም ዩንቨርስቲ የቢዝነስ አስተዳደር የትምህርት ክፍል ተመራቂ ተማሪ ነኝ። የማስተርስ መመረቂያ ፅሁፌንጥናት በማጠናቀቅ “የሠራተኛ ማህበር ሚና እና አስተዋፅኦ በኢንዱስትሪ ግንኙነት፤ በጂኦሜትሪካል ኢንዱስትሪያል ስራዎች ም/የተ/የግ/ማህበር” በሚሌ አርዕስት እየሠራሁ እገኛለሁ።

የዚህ ጥናት ዋና አላማ በአሠሪና ሠራተኛ መካከል መሌካም ግንኙነት መፍጠር የሠራተኛ ማህበር ሚናና አስተዋፅኦን መመርመር ነው። ስለዚህ በመመሪያው መሠረት ሆጥዎቼ ትክክላዊ ምላሽ እንዲሰጡ በትህትና እጠይቃለሁ።

ማስታወሻ፤ እባክዎን ስሞትን መፃፍ አያስፈልግም።

### ክፍሉ አንድ፤ ዲሞግራፊ መረጃ

እባክዎን እርሶን በሚገልፀው ምርጫ ትይዩ በሆነው ሣጥን ውስጥ ይህን “□” ምልክት ያስቀምጡ።

- 1. ልጅ ሴት  ወንድ
- 2. ዕድሜ <20  21-30  31-40  41-50  >50
- 3. የትምህርት ደረጃ

ከ12ኛ ክፍል በታች  12ኛ ክፍል ያጠናቀቀ  ዲፕሎማ  ማስተርስ   
ዲግሪ

- 4. በድርጅቱ ውስጥ ያገለገሉበት ዓመት  11-15  15 በሊይ   
 <5  6-10

5. የሠራተኛ ማህበሩ አባል ከሆኑ ስንት ዓመት ሆኖት

<5  6-10  11-15  15 በላይ

በእርሶ ድርጅት ውስጥ በሚከተሉት የኢንዱስትሪ ግንኙነት ሃሳቦች ምን ያህል ይስማማሉ። እባክዎን እርሶን በሚገለፀው ምርጫ ትይዩ ባህሪ ሣጥን ውስጥ ይህን “√” ምልክት

ያስቀምጡ።

ክፍሉ ሁለት፤ የሕብረት ሥምምነት ከሠራተኛው ጥቅም አኳያ

		በጣም አሌስማማም(1)	አሌስማማም(2)	መካከላዊ(3)	እስማማሁሁ(4)	በጣም እስማማሁሁ(5)
1	የሕብረት ስምምነቱ የተዘጋጀው በምክክርና በመግባባት ነው።					
2	የሕብረት ስምምነቱ የሠራተኛው ሞራሌና ምርታማነት ይጨምራል።					
3	የድርጅቱ ሕብረት ስምምነት ማኔጅመንቱ አላግባብ ሠራተኞችን እንዳይበድሉ ይከላከላል።					
4	የሠራተኛ ማህበሩና ማኔጅመንቱ የሕብረት ሥምምነቱን ሆሜሻሻሌ በጋራ ይሠራሉ።					

5	<p>የሠራተኛ ማህበሩና</p> <p>ማኔጅመንቱ የሕብረት ሥምምነቱን</p> <p>የከብራ ለእንዲሁም ተግባራዊ</p> <p>ያደርጋለ።</p>					
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ክፍሌ ሦስት፤ የሠራተኞችን ፍላጎት ከማስጠበቅና ከማሟላት በሠራተኛ ማህበሩ የተወሰዱ እርምጃዎች

		በጣም አልስማማም(1)	አሌስማማም(2)	መካከላዊ(3)	እስማማሁ(4)	በጣም እስማማሁ (5)
6	የሠራተኛ ማህበሩ አባሊዎች ተገቢውን ጥቅማጥቅምና በነስ ማግኘታቸውን ያረጋግጣሉ።					
7	የሠራተኛ ማህበሩ አባሊዎች ቅሬታቸው እንዲሰማ ያመቻቻሉ።					
8	የሠራተኛ ማህበሩ ጥሩ የሥራ ሁኔታ ላይ ሠራተኞች በንቃት ያመቻቻሉ።					
9	የሠራተኛ ማህበሩ በድርጅቱ ውስጥ የሠራተኛ ዕድገት በተመሳሳይ ክፍተት ተሳትፎ አላቸው።					
10	የሠራተኛ ማህበሩ ሠራተኞች አላሳገቡበት ከስራ እንዳይሰናበቱ በመከላከል ይታገላሉ።					

ክፍሌ አራት፣የሠራተኛ ማህበሩ ሚና በኢንዱስትሪ ግንኙነት

		በጣም አልስማማም(1)	አሌስማማም(2)	መካከላዊ(3)	እስማማሁሁ(4)	በጣም እስማማሁሁ (5)
11	የሠራተኛ ማህበሩ ሆተሽሆ ደሞዝ፣ስራ ሰዓትና ሆደህናስራ ሁኔታ ይታገላሉ።					
12	መንግስትና ድርጅቱ ሆሠራተኞችና ቤተሰቦቻቸው የሚጠቅም ህግ እንዲያወጡ በማግባባት ሥራ ሊይ ይሰተፋሉ።					
13	የሠራተኛ ማህበሩ እኩሌነትን፣ ሚዛናዊነትን፣ ሰብዓዊመብትን፣ማህበራዊና ኢኮኖሚያዊ ፍትሃዊነትን በስራ ቦታ ብቻ ሳይሆን በማህበረሰቡ ውስጥ ምጣምጣት ችሎሉ።					
14	ማህበሩ በማናጅመንትና ሠራተኞች መካከሉ የሚጻጠሩ ችግሮችን በመፍታት ሆተሽሆ የኢንዱስትሪ ግንኙነት ዕገዛ ያደርጋሉ።					

15	<p>ማህበሩ ሠራተኞች በህብረት  ስምምነቱ መሠረት በአመቺ የስራ  ሁኔታ በመፍጠርና በላልች  ጥቅማጥቅሞች ዙሪያ  እንዲደራደሩ ጉሌበት  ሠጥቷቸዋል።</p>					
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ክፍሌ አምስት፤ ማህበሩ የገጠሙት ተግዳሮቶች/ግተናዎች

		በጣም አልስማማም(1)	አሌስማማም(2)	መካከላቸው(3)	እስማማሁሁ(4)	በጣም እስማማሁ ሁ(5)
16	ማናጅመንቱ የሠራተኞችን ሙብት በሚጥስበት ጊዜ የሠራተኛ ማህበሩ ከሠራተኞች ጎን ሲቆም ማናጅመንቱ ማህበሩን ያስግራራሉ።					
17	የሠራተኛ ማህበሩ የገንዘብ እጥረት አላቸው።					
18	የሠራተኛ ማህበሩ የተማረ የሰው ሃይሌ እጥረት አላቸው።					
19	የሠራተኛ ማህበሩ አመራሮች ከኢኮኖሚ ፖሊሲ ህውሎች ወደ ኋላ የቀሩ ናቸው።					
20	የሠራተኛ ማህበሩ የውስጥ አስተዳደርና ሃላፊነቱን ከማናጅመንት አላስግሊጊ ጣሌቃ ገብነት ያካሂዳሉ።					

21. የእርሶን ሠራተኛ ማህበር በሠላማዊ የስራ ሂደትና ግጭቶችን በመቀነስ ረገድ እንዴት ይገላግላል?\_

22. በእርሶ ድርጅት ውስጥ የሠራተኛና አሠሪ ግንኙነት ሆሞሻሻሌ ምን ሀሳብ ያቀርባል?

እጅግ በጣም አመልካችሁ።

**ST. MARY'S UNIVERSITY**

**DEPARTMENT OF BUSINESS ADMINISTRATION**

*The interview will be done with management of the labor union. The intent of this interview is to assess the role and contribution of Labor Union in the Industrial Relation in the case of GEOSYNTHETICS INDUSTRIAL WORKS PLC.*

*The below interview questions will be presented to the labor union leaders and for better communication the questions will be translated and presented in to Amharic language*

What kind of service and benefits does the union provide to the union members?

ማህበሩ ምን ዓይነት አገልግሎትና ጥቅሞችን ለአባላቱ ያቀርባል?

How do you describe the industrial peace in Geosynthetics Industrial Works Plc?

በጂኦሲንቲቲክስ ኢንዱስትሪያል ስራዎች ኃ/የተ/የግ/ማህበር ውስጥ የ ኢንዱስትሪ ሰላም እንዴት ይገልጻል?

What are the main challenges faced the Union?

ማህበሩን የገጠሙት ዋና ፈተናዎች/ተግዳሮቶች ምንድን ናቸው?

How cooperative is the management toward the union?

ማናቋሙን ማህበሩን እንዴት እየተባበረው ነው?

Is there anything you suggest for improvement?

እንዲሻሻል የሚሠጡት ሃሳብ አለዎት?

ዲሻሻል የሚሠጡት ሃሳብ አለዎት?

**Item Statistics**

	Mean	Std. Deviation	N
Question1	3.57	.989	97
Question2	3.41	1.367	97
Question3	3.14	1.307	97
Question4	2.58	1.232	97
Question5	2.47	1.119	97

	Mean	Std. Deviation	N
Question6	1.94	1.413	96
Question7	1.98	1.231	96
Question8	1.95	1.333	96
Question9	2.09	1.134	96
Question10	3.23	1.341	96

	Mean	Std. Deviation	N
Question11	2.10	.826	92
Question12	2.50	1.262	92
Question13	2.67	1.250	92
Question14	2.34	1.320	92
Question15	2.15	.876	92

	Mean	Std. Deviation	N
Question16	4.08	1.134	90
Question17	2.73	1.216	90
Question18	4.72	.619	90
Question19	3.38	1.056	90
Question20	4.38	.829	90

## Cronbach's Alpha of items

### Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Question1	11.61	18.657	.858	.838	.880
Question2	11.76	16.037	.826	.827	.880
Question3	12.03	16.030	.881	.814	.866
Question4	12.60	17.785	.737	.597	.898
Question5	12.70	19.691	.606	.413	.922

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Question6	9.25	17.495	.578	.405	.847
Question7	9.21	18.209	.628	.466	.831
Question8	9.24	16.205	.777	.637	.791
Question9	9.09	17.454	.800	.704	.792
Question10	7.96	17.977	.575	.478	.846

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Question11	9.66	15.413	.441	.281	.843
Question12	9.26	11.360	.705	.582	.775
Question13	9.09	10.784	.805	.708	.742
Question14	9.42	10.555	.776	.655	.751
Question15	9.61	15.098	.453	.239	.840

	Question16	Question17	Question18	Question19	Question20
Question16	1.000	.806	.800	.670	.614
Question17	.806	1.000	.558	.631	.469
Question18	.800	.558	1.000	.593	.667
Question19	.670	.631	.593	1.000	.683
Question20	.614	.469	.667	.683	1.000

### Summary of responses in percentage

#	Questions	Level of Agreement	Frequency	Percent
1	The collective bargaining has been prepared through dialogue and consensus.	Strongly Disagree	4	4.08
		Disagree	8	8.16
		Neutral	30	30.61
		Agree	41	41.83
		Strongly Agree	15	15.30
		Total	98	
2	The collective bargaining increases the morale and productivity of employees.	Strongly Disagree	10	10.2
		Disagree	22	22.44
		Neutral	10	10.2
		Agree	30	30.61
		Strongly Agree	26	26.53
		Total	98	
3	The enterprise collective bargaining restricts management's freedom for arbitrary action against the employees	Strongly Disagree	16	16.32
		Disagree	10	10.2
		Neutral	34	34.69
		Agree	20	20.4
		Strongly Agree	18	18.36
		Total	98	
4	The labor union and the management works together to amend the collective bargaining agreement	Strongly Disagree	20	20.61
		Disagree	34	35.05
		Neutral	18	18.55
		Agree	17	17.52
		Strongly Agree	8	8.24
		Total	97	
5	Both the Enterprise's management and labor union leaders respect and apply the collective bargaining agreement	Strongly Disagree	14	14.28
		Disagree	50	51.02
		Neutral	16	16.32
		Agree	10	10.2
		Strongly Agree	8	8.16
		Total	98	
6	The labor union makes sure that members get their proper benefits and bonuses	Strongly Disagree	61	62.24
		Disagree	10	10.2
		Neutral	9	9.18
		Agree	8	8.16
		Strongly Agree	10	10.2
		Total	98	
7	The labor union facilitate to the members to make their grievances heard.	Strongly Disagree	48	49.48
		Disagree	24	24.74
		Neutral	11	11.34
		Agree	8	8.24
		Strongly Agree	6	6.18
		Total	97	

8	The labor union actively works to facilitate good working conditions for employees.	Strongly Disagree	53	54.63
		Disagree	21	21.64
		Neutral	7	7.21
		Agree	7	7.21
		Strongly Agree	9	9.27
		Total	97	
9	The involvement of the labor union is high in employee promotion in the enterprise.	Strongly Disagree	33	33.67
		Disagree	38	38.77
		Neutral	12	12.24
		Agree	9	9.18
		Strongly Agree	6	6.12
		Total	98	
10	The labor union struggle to protect employees from unfair dismissal.	Strongly Disagree	15	15.46
		Disagree	14	14.43
		Neutral	19	19.58
		Agree	30	30.92
		Strongly Agree	19	19.58
		Total	97	
11	The labor union fights for better wages, reasonable hours and safer working conditions.	Strongly Disagree	16	16.32
		Disagree	65	66.32
		Neutral	9	9.18
		Agree	6	6.12
		Strongly Agree	2	2.04
		Total	98	
12	The labor union engages in lobbying governments and their agencies for legislations that favor workers and their families.	Strongly Disagree	24	25
		Disagree	28	29.16
		Neutral	21	21.87
		Agree	15	15.62
		Strongly Agree	8	8.33
		Total	96	
13	The labor union is able to bring about equality, fairness, respects for human and workers' right, and social and economic justice not only at the workplace but also in society.	Strongly Disagree	16	16.49
		Disagree	38	39.17
		Neutral	14	14.43
		Agree	19	19.58
		Strongly Agree	10	10.3
		Total	97	
14	The union helps in betterment of industrial relations among management and workers by solving the problems peacefully	Strongly Disagree	34	35.78
		Disagree	28	29.47
		Neutral	10	10.52
		Agree	17	17.89
		Strongly Agree	6	6.31
		Total	95	
15	The union gives workers the power to negotiate for more favorable working conditions and other benefits through	Strongly Disagree	21	21.64
		Disagree	48	49.48
		Neutral	19	19.58
		Agree	8	8.24

	collective bargaining.	Strongly Agree	1	1.03
		Total	97	
16	The management intimidations the laborunion when it stands beside to the employees during employees' right violation	Strongly Disagree	4	4.16
		Disagree	9	9.37
		Neutral	13	13.54
		Agree	25	26.04
		Strongly Agree	45	46.87
		Total	96	
17	The labor union has shortage of finance	Strongly Disagree	21	21.87
		Disagree	30	31.25
		Neutral	15	15.62
		Agree	24	25
		Strongly Agree	6	6.25
		Total	96	
18	The labor union has shortage of knowledgeable manpower	Strongly Disagree	1	1.03
		Disagree	3	3.09
		Neutral	2	2.06
		Agree	18	18.55
		Strongly Agree	73	75.25
		Total	97	
19	The labor union leaders has been lagging behind the economic policy changes.	Strongly Disagree	4	4.21
		Disagree	20	21.05
		Neutral	24	25.26
		Agree	36	37.89
		Strongly Agree	11	11.57
		Total	95	
20	The labor union runs its responsibility without unnecessary interference of the management in Labor Union's internal administration.	Strongly Disagree	1	1.04
		Disagree	2	2.08
		Neutral	11	11.45
		Agree	31	32.29
		Strongly Agree	51	53.12
		Total	96	