



The University of Sydney

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# Does Industrial Relations Have a Future?

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## Challenges to the 'stable state' of work and industrial relations (IR)

- *The shift from centralised to decentralised systems of industrial relations.*
- *Deregulation of labour markets which were formerly more regulated.*
- *Decomposition of the labour force into more part-time and casual forms of employment.*
- *A declining role for the traditional social partners in industrial relations.*
- *The replacement of collective forms of IR with more individualised arrangements.*



## Various criticisms of industrial relations as a field of knowledge and practice

- *Too narrowly focused on union-employer relations and collective bargaining.*
- *Too concerned with strikes and industrial conflict.*
- *Neglect of other aspects of individual employee-employer interaction and group behaviour.*
- *Attempts to broaden the field of IR have resulted in the loss of identifiable core elements.*
- *Failure to develop testable theories which can explain and predict IR outcomes.*



## Defining industrial relations as a field of knowledge and practice

- *The concept of IR initially arose in the UK in the late 19<sup>th</sup> century and spread to other English-speaking countries, but with differences in approaches and practices.*
- *It became established as an academic discipline in these countries over time but did not spread to many other regions of the world as a separate field of study.*
- *Definitions vary from narrow to broader interpretations of the scope of the subject.*
- *Industrial relations is essentially concerned with bargaining and other forms of interaction between employer, employees and their respective organisations, and the state, focusing on the regulation of work and employment relations.*



## Various suggestions regarding changes in approaches to industrial relations

- *Return to the core concerns in relation to collective bargaining between labour and management.*
- *Restore the multidisciplinary approach and pluralistic perspectives of industrial relations.*
- *Integrate industrial relations more closely with human resource management.*
- *Infuse IR with stronger values basis which emphasizes concerns about equity and equality.*



## The changing roles of the industrial relations practitioner

- *What are the key roles which IR practitioners perform within today's enterprise?*
- *How is it different from the past?*
- *How does IR interact with the HR function within the enterprise?*
- *Should the IR practitioner's role be changed to be more relevant within the enterprise? If so, how?*



## The continuing relevance of industrial relations

- *While industrial conflict has declined in many advanced market economies, it is of growing significance in a number of industrialising economies.*
- *Similarly, while unionisation rates have fallen in many countries, issues of employee representation and voice are of growing concern.*
- *Globalisation has enhanced the importance of work, wages and working conditions around the world but made these more difficult to regulate at the national level.*
- *According to one major multinational enterprise: 'increasing globalisation and international trade (have made) consideration of labour market regulations and conditions key parameters in investment decisions'.*



## The internationalisation of industrial relations

- *Globalisation has provided an opportunity to reassert the relevance of IR in relation to the international division of labour and the impact of these changes on the nature of work and organisations.*
- *Limitations on the ability of nation states to control flows of capital across their borders has had implications for the regulation of work and employment, particularly in multinational enterprises.*
- *The growing significance of international organisations such as the ILO, WTO, World Bank etc in relation to the conditions under which work is performed.*
- *Renewed interest in the degree to which IR systems are converging or diverging within industries and between countries.*





## An integrated and multilevel analysis of industrial relations around the world

- *Globalisation has not replaced the importance of regional and national levels of IR activities.*
- *Regional dimensions of IR are significant in the EU, with its more developed institutions, but have yet to be developed in other regions such as Asia and Latin America.*
- *Although the nation state is still the locus in which most IR systems operate, individual nations are increasingly influenced by international developments and pressures, IR remains a significant local issue in most countries.*



## A new agenda for industrial relations reflected in the *15<sup>th</sup> World Congress of the IIRA in 2009*

- *The overall theme of 'The New World of Work, Organisations and Employment' reflects a broader perspective on industrial relations issues.*
- *The sub-themes cover some traditional topics:*
  - *Institutions, Processes and Outcomes*
  - *Voice and Representation at Work*
- *But there are some other topics which reflect newer concerns:*
  - *Work, Family and Community*
  - *Management, Work and Organisation*
  - *New Forms of Work and Employment*
- *See details of the 2009 IIRA World Congress at:*  
[www.iceaustralia.com/IIRA2009](http://www.iceaustralia.com/IIRA2009)



## Conclusions

- *IR needs to retain its long-established focus on bargaining and other forms of interaction between the established social partners and the state but it should also embrace new actors and issues central to the world of work.*
- *IR should combine micro-level perspectives on workplace issues, individuals and groups at work with broader macro-level issues concerning the economy, society and institutions.*
- *IR should strengthen its long-held concerns with the balance between efficiency and equity but seek to emphasize the need for integration between these often competing interests.*
- *Finally, IR needs to take an international and comparative perspective without diminishing the importance of the regional and local dimensions of work and employment relations.*