OUTLINE the **INFLUENCES** of **EMPLOYEES** and **UNIONS** on **human resources management** and ASSESS the role of rewards as well as training and development in achieving successful outcomes in performance management.

Definition of employee, trade union and performance management

**Opening Paragraph**

**Employees** and **unions** are stakeholders with an interest in the business. Stakeholders have various , often competing, aims that human resources managers must take into consideration because the business is affected by stakeholders. If, for example, as in the case of Qantas, union’s views aren’t considered, workers may disrupt the business with industrial action. Performance management is the process of monitoring an employee’s contribution to the business and taking necessary corrective action to ensure that the workforce is consistently on track to achieve the business objectives.

Employees are stakeholders in human resource management because they depend on the income they earn for their labour and they spend a significant proportion of the day in the working environment. Employees ‘aims are usually at tension with what employers want. Employees push for higher wages and better working conditions and opportunities which cost money. If human resources are managed poorly, it is clear to see how employees will suffer materially and emotionally. They will have less money and satisfaction, HR must carefully consider employees demands because employees play such a crucial role in the business. If employees are unsatisfied by HR , they are likely to become demotivated and less productive, and may even disrupt production through industrial action such as strikes.

Unions represent the collective interests of employees, usually within a particular industry. They are stakeholders because their members, employees, are directly affected by HR policies. Government policies have periodically tried to weaken the power of unions, but the current industrial relations legal framework protects their position in the HR management process. Like employees, unions generally aim for better working conditions and higher wages. Unions also help employees protect their rights in relation to issues like Workers compensation and Anti-Discrimination. HR must pay careful attention to union’s demands because they can be powerful, with the ability to organise mass industrial action. However, government organisations ,such as Fair Work Australia, determine and enforce the legal framework for industrial relations**. As an example of the interaction between employees and unions with employers, 2011 Fair Work Australia put a stop to all industrial action by Qantas and unions. Fair work Australia said it was acting to prevent significant damage to the tourism and airline industries, after all Qantas planes were grounded on Saturday, leaving nearly 70,000 passengers stranded in 22 countries, with the airline threatening to lock out all employees.**

Performance management is the system of monitoring an employee’s contribution to the business and taking necessary corrective action if business objectives are not being met by the workforce. This involves a range of techniques, such as comparing employee outcomes against predetermined goals, and annual formal review processes in which outcomes and goals are discussed with each individual employee. One of the keys to performance management is communication. Managers must also be ready to take appropriate action if goals are not being met, such as redesigning tasks, altering reward packages, training workers, and initiating disciplinary proceedings.

Businesses can approach performance management in two ways: an administrative approach, or a developmental approach. The trade-off is essentially between short term costs and long term outcomes.

**Qantas’s performance management consists of regular face –to-face feedback, review and open communication. Every employee at Qantas’ receives a formal performance appraisal from his/her manager at least once a year. All incentive awards paid by Qantas’ are subsequently aligned to the relative performance of the business, assets and individuals. Qantas’ performance management aims to acknowledge excellent performance, motivate employees and encourage further achievement, identify the cause of poor performance. The Qantas Group also seeks to recognise the contribution of Employees who demonstrate exemplary behaviour in the context of service to, or ensuring the safety of, customers and/or fellow Employees. Such behaviour may be formally recognised through internal recognition programs**

If the workforce is not achieving goals as identified in performance management monitoring, training and developing is a good strategy to improve those outcomes. Training for current skills is designed to enable the worker to do their current job better. For example, this may mean teaching them how to use new technology so that they can work more efficiently, or training them in new quality management processes to reduce defects in their work. Teaching current skills is important, with clear benefits to the business. It allows it to keep up with developments in the industry, such as technological advances, and helps get a higher standard of work from the employee. The business sees these benefits immediately-as soon as the skills are learnt, the employee can start applying them at work with positive results. This is also a way for businesses to ensure that employees maintain a high standard of competence. Additionally, this may help motivate employees, as they may derive satisfaction or a feeling of achievement from being able to do their job better

However at a certain point the business may get little extra benefit from a worker simply by training to reinforce or improve current skills. There is a lot of value in training skills to adapt to major technological advances, but the business may get little extra benefits from a worker simply by training to reinforce or improve current skills over a longer period. Training for current skills is also unlikely to be a very strong motivator for most employees. If they aren’t learning anything particularly new, they may simply view training sessions as boring and a burden.

**The Qantas Group supports and encourages the personal and professional development of its Employees, particularly through the identification of talent, maintenance of relevant professional qualifications and support of those Employees who wish to undertake approved external training and education courses. Importantly, the Qantas Group views learning and development as a shared responsibility between the Employee and Qantas.**

As in the Qantas group objectives of human resources management, workers may undergo training for future skills, such as developing their managerial abilities. This sort of skills training is a good way for the business to prepare for the future. If employees have a wide variety of skills, they may be able to cover for the absences of their colleagues or could be promoted into higher positions. ,saving the business time and money in the recruitment process. However the employee might leave the business to take advantage of their new skills or some workers could be demotivated as they can’t see a connection between training and what they are currently doing. .

Conclusion:

The level of worker satisfaction and union disputes are indicators of the effectiveness of human resource management. If the work culture is not as desired, it indicates that there are workers that are not fully committed to the business and its goals and do not share its values. This may be a failure in training and motivation or the level of monetary and non-monetary rewards