

APPROVAL SHEET

The thesis entitled, "The Conflict Management Strategies of The Central Bank of the Philippines in Handling Employee Associations: A Case Study," prepared by Benjamin Joseph M. Yoro in partial fulfillment of the requirements for the degree Bachelor of Arts in Organizational Communication is approved.


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THE CONFLICT MANAGEMENT STRATEGIES OF
THE CENTRAL BANK OF THE PHILIPPINES IN
HANDLING EMPLOYEE ASSOCIATIONS
A CASE STUDY

BENJAMIN JOSEPH M YORO

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A CASE STUDY**

A Thesis Submitted

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ABSTRACT

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A union, or any association of employees within a company, is "voluntary established by workers to protect their rights and improve their conditions in the workplace" (IBON Socioeconomics Workbook, 1995). It would be very important to study how a Government institution handles these groups because of its role to be played for the welfare of the people, whether it be economical, political, social, etc. This brought to the researcher the problem: How does The Central Bank of the Philippines handle the intergroup relationship between management and the union or employee associations working under them? What management strategies do they use to solve conflicts between management and the association? Since the complaints of some of these unions are towards the Government, the researcher found interest on finding how they handle their own employees amidst the endless criticisms before them. It would be of great help to know whether there are problems on how the Government handles its employees to serve as an example of good communication management that the people in the private sector would avoid or follow.

The research aims to know how The Central bank of the Philippines handle conflicts between management and the employee association under them, to know the various strategies (if any) that the management uses to solve conflicts between management and the association, to know how what type of group interdependence the employees in Central Bank practice, and to make suggestions, if applicable, for alternative ways of handling employee-management relations for future studies.

The researcher conducted this study in The Central Bank of the Philippines, located in 1004 Manila, Philippines. **Bangko Sentral Employee's Association, Inc.** (BSPEA) is the name of the group present in this institution. The department/group subjected to the study is the *Treasury Services Group* of the Treasury Department. Questionnaires were distributed to the employees and only one minor interview was done because of the limits of time.

The study would be based mainly in the Model of Intergroup Conflict in Organization by Richard L. Daft (1998) to know what strategies Central Bank uses to handle their BSPEA and what sources of conflicts are present. Methods in getting the average, particularly the mode, is used to get the frequencies of the respondents in each category, the percentages of which is also included. The Constitution and By-laws was made available for the researcher for the general description of the Association.

The results indicate that Central bank of the Philippines handles employee associations, as what have Richard Daft have proposed, in an ideal way. Even though the structure suggests little interaction with each other, the employees work with a team in mind. All of the respondents related to their superiors well and vice-versa, as manifested in the frequency of making them feel included in a team.

ACKNOWLEDGEMENTS

I have never been so relieved in my entire life after this thesis was passed and approved. These are one of those unforgettable moments where one anticipates the coming of a big storm... and it comes... and one survives. This would not be possible if it weren't for the help of very great and wonderful people.

First of all, I thank the **Lord God** for making me overcome this big challenge in my life. I always fail You by stumbling into obvious traps and sometimes side-stepping out of the way to the goal. But You remain faithful to bring me back to that goal. Thank for making me learn the hardships in life in the easy and also the not so easy ways. Your plans are really higher than ours.

I thank my very special friends, who I would still choose even if I would be able to have the chance to turn everything back... we did it mga **DUDE PARE!** Namely... **Ailene Ponce, Rachelle "Chen" Panelo, Dianne "Din" Villafuerte, Homer "Hummer" Gagalang, Joan "Kiddo" Jongko, Mat "Dude" Amargo, Mikko "Dude" Javier, Shelley "She`" Sibya, and Sheryll "She`" Lopez.** Guys... it's been a very special four years that we should cherish all our lives.

This also goes to our very talented block! **Jean...** My Sunshine... thank you for the Love and for always being there to make me a better person, whether it be in quarrels or in sweet conversations.

I specially like to thank my beautiful parents and my whole family for always pushing me to do my best. I'm sorry if I was grouchy at times. Those are just times that I know I can speak up but I can't coz you're my parents... gets?! HEHE! I LOVE YOU!! =) Thank you so much for the lessons I've learned... actions do speak louder than words!

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CHAPTER I

INTRODUCTION

A union, or any association of employees within a company, is “voluntary established by workers to protect their rights and improve their conditions in the workplace” (IBON Socioeconomics Workbook, p.27). It is formed to represent workers in the formation of policies and other matters that may affect their jobs. It also provides workers the opportunity to unite and to be heard by upper management. It would not be that easy for a union to carry out its objectives if it does not have a certain level of a good relationship with the management.

In the Philippines, labor unions have been very active in expressing their sentiments to the government and to the employers for the past few years already. It would be very important to study how a Government institution handle these groups because of its role to be played for the welfare of the people, whether it be economical, political, social, etc. The Central bank of the Philippines would be a sufficient place of study because of its direct involvement in the broad management team of the Government.

Statement of the Problem

How does The Central Bank of the Philippines handle the intergroup relationship between management and the union or employee associations working under them? What management strategies do they use to solve conflicts between management and the association?

Objectives

This research aims:

1. To know how The Central bank of the Philippines handle conflicts between management and the employee association under them,
2. To know the various strategies (if any) that the management uses to solve conflicts between management and the association,
3. To know how what type of group interdependence the employees in Central Bank practice, and
4. To make suggestions, if applicable, for alternative ways of handling employee-management relations for future studies.

Hypotheses

1. The Central Bank of the Philippines, being a Government institution have a hard time in dealing with these associations because of the criticisms toward them and the various strikes happening in the private sector and some government-controlled companies.
2. Communication approaches of managers vary in relation to the changing effects of labor unions to the society and to the organization itself.
3. Relationships between unions and management would be improved by finding a way to involve employees in the decision-making process of the organization and also of the government.

Significance of the Study

In view of current economic status in the Philippines - where companies are downsizing, peso is falling, and at the same time labor unions are much more active – the researcher felt the need to know how communication approaches of a manager is done and is affected by this very powerful association of workers. Since the complaints of some of these unions are towards the Government, the researcher found interest on finding how a Government institution handles their own employees amidst the endless criticisms before them. It would be of great help to know whether there are problems on how the Government handles its employees to serve as an example of good communication management that the people in the private sector would avoid or follow.

Workers have been very vocal about their sentiments and they do this more frequently now than in the past and they are growing in numbers. There must be something wrong or some problems in the relationship of workers between their management, which the researcher would want to know about and would want to suggest solutions (if any). Having knowledge in the subject matter would help future manager-leaders and/or communicologists, inside and outside the Government institutions, find better and more effective communication approaches toward conflicts that occur within the organization (if there are).

The study would also try to make manager-leaders understand the nature of labor unions here in the Philippines. Knowing this would allow them to devise an effective plan to somehow lessen grievances from their workers.

This study could also be a start for future and interested researchers to dwell into. There have been little published works about these employee associations in the Philippine context. Unions have its own communication patterns and it is changing. This is also true for a company. Managers would be more effective if they could cope with these communication patterns and approach correctly the changes happening around.

Scope and Limitations

As much as the researcher would want to study all kinds of labor unions or worker associations, it would only stick to one union dominant in an organization due to restrictions in time and resources. The group to be studied is the Employees Association found within the Central Bank of the Philippines - **Bangko Sentral ng Pilipinas Employee Association, Inc. (BSPEA)**. The respondents are members of the Treasury Services Group, consisting of 30 people, under the Treasury Department. The subject matter at hand would only deal with knowing how and what communication approaches of managers is affected or changed or used by the involvement of the people in these associations who are under them.

Only one minor interview was conducted (with the Deputy Director of the Treasury Services Group) because of the unavailability of the rest of the respondents, due to the load of work and the value of time to them. The study was solely based on the questionnaires given to the employees.

The organization's general background and objectives of the Employee Association was studied only by printed materials given by the Deputy Director due to the lack of time for more interviews.

Also, due to few published studies on the topic in Philippine context, materials were of foreign authors and contexts. But the researcher tried to get materials that were close to the Philippines context.

CHAPTER II

REVIEW OF RELATED LITERATURE

According to William W. Neher (Organizational Communication, p.17), "organizations are created by people in order to achieve some human purpose." He also stated in one of his propositions regarding organizational communication that communication skills are the basis for effective leadership in organizations. With these statements, one can extract the relationship of management to the employees. But some organizations have another type of organization functioning within it... the **Labor Unions** or sometimes called **Employee Associations**.

A union is "voluntary established by workers to protect their rights and improve their conditions in the workplace (IBON Socioeconomics Workbook, p.27)." From here, one sees that unions are legitimate, functioning organizations because it falls under Neher's definition. It was, originally, formed to represent workers in the formation of policies and other matters that may affect their jobs. It also provides workers the opportunity to unite and to be heard by upper management.

Dante G. Guevarra, in his book, *Unyonismo sa Pilipinas (1992)* described labor unions in the Philippines context. He said that unions in the Philippines became more and more involved in the political aspects of society because of the complicated history of the Philippines. From the period of Spanish colonialism up to the present, labor organizations became more militant because of the political situations, affecting the economic and social stability of every worker.

James W. Robinson, James T. Turner, and Roger W. Walker (Introduction to Labor, p.64) provided distinctive characteristics of labor unions. These are:

- They have *structure* and *government*. They function with respective goals according to the nature of what they are fighting for. There are the "federations" which exercises virtual control over the policies of organized labor, supporting general strikes of all organized workers, engaging in national political activity, and participating in issues regarding wages. There are also "general" unions that include members of different occupations.
- *Political Activity*. The policies of the union may reflect political as well as economic goals and may be designed to foster the aims of a particular political group. This also involves the existence of a "labor" party, which may be seeking industrial nationalization or worker control, through government, of industry.
- *Bargaining issues*. Unions have prioritized collective bargaining to issues related directly to the well-being of the worker in his role as employee, i.e., wages, hours, conditions of work, job security, retirement, etc. Decisions have been left to the employer. But in some countries, they widened the scope to cater to other needs of the workers.

Daniel Quinn Mills, author of the book *Labor-Management Relations* (p.11) stated the importance of studying unions and its relation to management. He mentioned three reasons:

1. *Unions are Pattern Setters*. Unions are pattern setters in establishing wage levels, fringe benefits, and working conditions. Many non-union companies,

even the largest and most profitable ones, simply established by their unionized competitors.

2. *Unions are a Major Political and Economical Force.* Unions provide a mechanism through which employees take action in the general economic and political spheres of their communities and their nation.
3. *Unions have Intrinsic Interest and Importance.* Unions are large and important human institutions that deserve study for their own intrinsic interest. It provides intrinsic interest to anyone who wants to know how human organizations operate and what they do.

Ralph Darlington on the other hand said that differences in the nature of unions occur because "it is necessary to take account of the significance of the political, social, and cultural context of each organization." (The Dynamics of Workplace Unionism, p.264) In addition, he also said that, "differences in managerial approaches could be explained primarily by the organization's response to changes in product and labor markets, the influence of corporate strategy on plant-level managers, and the perceived strength of union organization (p.266)."

Mills also added that, "most managers do not recognize the importance of labor-management relations. Many managers think that they know how to handle labor relations well, as if they were born to it. But it should be learned by experience, thought and study. Many managers are ambitious. They want to get to the top of their organization. Furthermore, it is advantageous for a manager to have some knowledge of labor relations because it enhances their ability to cope

with labor relations' problems. He/she should be prepared to understand the context of such problems and be able to develop a method to resolve it. Good managers should also know that labor problems is not solved simply when an idea is developed, but when the idea is successfully implemented. It is not what they do but how they should do it. Managers should also deal with labor relations professionally." (Labor-Management Relations, p.58). It is not like giving candy to a kid and it would solve the problem right away. One should take the union seriously and deal with them professionally.

Interorganizational Relationships

Knowing these things about unions, we can say that unions, although part of an organization, is in itself an organization too. It is then safe to say that in dealing with unions, a manger should be looking on principles of "**interorganizational relationships**" to handle conflicts between management and the union.

Richard L. Daft, in his book *Organization Theory and Design*, 6th edition (chapter 14), defined Interorganizational relationships are relatively enduring resource transactions, flows, linkages, that occur among two or more organizations (in this case, the union and the management). According to Daft, the models and perspectives for understanding interorganizational relationships ultimately help managers change their role from top-down management to horizontal management across organizations. Relationships among organizations can be characterized by whether the organizations are dissimilar or

similar, and whether relationships are competitive or cooperative (Figure 1.). By understanding these perspectives, managers can assess their environment and adopt strategies to suit their needs.

Resource dependence describes rational ways organization deal with each other to reduce dependence on the environment.

Collaborative networks allow themselves to become dependent on other organizations to increase value and productivity for both.

Population ecology focuses on organizational diversity and adaptation within a population of organizations.

Institutionalism, the final approach, explains why and how organizations legitimate themselves in the larger environment and design structures by borrowing ideas from each other.

		<i>Organizational Type</i>	
		Dissimilar	Similar
<i>Organization Relationship</i>	Competitive	Resource Dependence	Population Ecology
	Cooperative	Collaborative Network	Institutionalism

Figure 1. Framework of Interorganizational Relationship by Richard L. Daft, as suggested by Anand Narasimhan

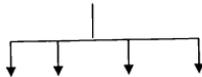
This framework is really intended for relationships among companies, but the researcher believes that these concepts can also be applied to the relationship between unions and their management, since unions can be

considered also as an organization because of its ideals and functions in order to attain a goal. The important thing here is for managers to be aware of the interorganizational relationships and to consciously manage them, as Daft puts it.

Judith R. Gordon, in her book, *Organizational Behavior*, 5th edition (p.416) introduced another relationship that can be used to assess union-management conflicts. This is the **intergroup interaction**. She said that. "No two groups in an organization can be truly independent." Union workers depend on management for their jobs, wages, assignment of responsibilities, and supervision in performing their jobs. Groups in an organization are naturally interdependent

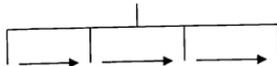
There are four types of interdependence, which naturally bring about conflicts:

- Pooled



Groups rely on each other only because they belong to the same parent organization. They do not have direct interactions.

- Sequential



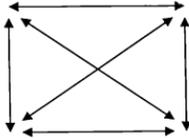
When one group's operations precede and act as prerequisites for the operations of the second group.

- Reciprocal



Pairs of groups interact in both directions, in no prescribed order.

- Team



All groups interact in all directions with every other group.

Gordon says that as the extent of group interdependence increases, from pooled to sequential to reciprocal and to the team, the potential for conflicts also increases. She also included factors that affect intergroup interactions/conflicts.

These are as follows:

1. **Perceptual Differences** – differences in focus and in various orientations (e.g. goals, time, social orientations) influence the way one group views another's actions.
2. **Power Differences** – differences in the amount of influence and control they have over others, e.g. perceptions of substitutability, ability to cope with uncertainty, control of and access to resources.
3. **Task Relations** – activities or processes that interdependent groups perform and the way these activities interrelate. Both the interaction of task activities and their clarity or ambiguity have consequences for intergroup relations.
4. **Cross-cultural Differences** – differences in time, social orientations, language, and customs.

Richard L. Daft also has the similar concepts only that he dealt with the **intergroup conflicts**. He defined intergroup conflict as “the behavior that occurs among organizational groups when participants identify with one group and perceive that other groups may block their group’s goal achievement or expectations.” Intergroup conflicts happen either **horizontally**, when it occurs among groups at the same level in the hierarchy, or **vertically**, when it occurs vertically among hierarchical levels.

Both conflicts can have similar reasons why they occur, but for the purpose of this research, vertical conflicts are emphasized because of the vertical relationship between union members and management.

Daft cited the sources of worker-management conflict:

1. **Psychological Distance**. Workers often do not feel involved in the organization. They perceive that their needs are not being met. A union is a way of giving voice to those needs. It provides workers with clear group identity. Once the union is formed, members identify with the union, not the company, and try to achieve gains through the union... a win-lose conflict situation.
2. **Power and Status**. Workers are at the bottom of the hierarchy and often feel powerless and alienated. They have little say in decisions about issues that directly affect their lives, such as wages and benefits. Standing together in a union gives them strength that equalizes their power with the management.

3. **Ideology.** Values and ideology are basic differences between workers and management. These differences represent basic beliefs about the purpose and goals of organizations and unions.
4. **Scarce resources.** Financial resource is the most common. Salary, fringe benefits, and working conditions are dominant bargaining issues. Workers look to the union to obtain financial benefits. Unions may strike if necessary to get the pay and benefits they want. Management, by contrast, feels pressure to reduce costs by holding the line on wages in order to maintain low prices.

CHAPTER III

FRAMEWORK OF THE STUDY**Theoretical Framework**

The study would revolve around Daft's Framework of Interorganizational Relationships as shown in Figure 1, his sources of worker-management conflict as discussed already in the Review of Related Literature, and his Model of Intergroup Conflict in Organizations. (Figure 2).

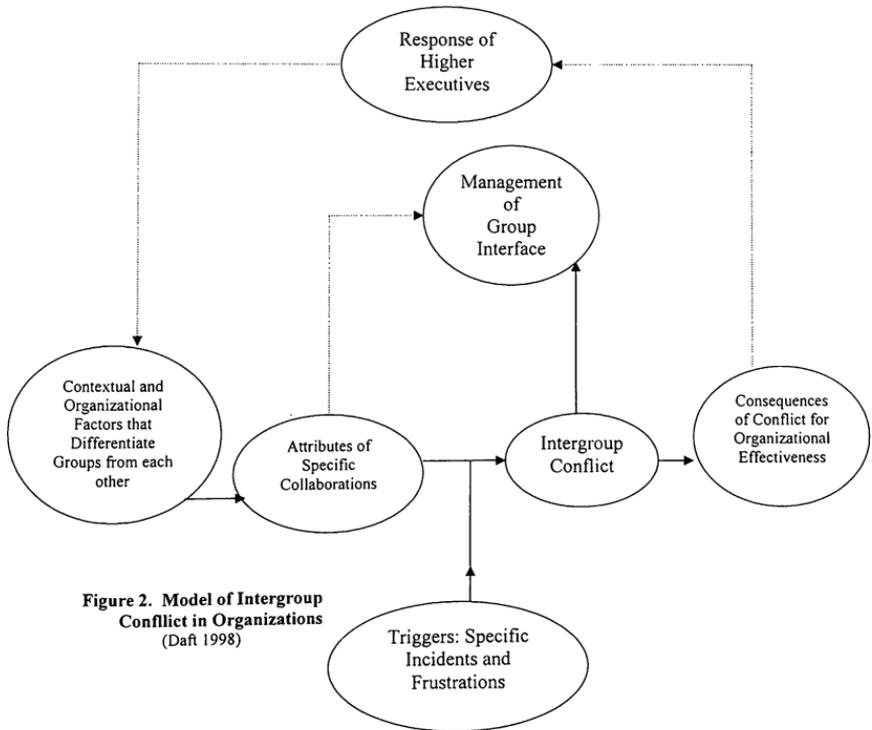


Figure 2. Model of Intergroup Conflict in Organizations
(Daft 1998)

Conceptual Framework

This research would work with the Model of Intergroup Conflict in Organizations, taken from Richard L. Daft's (1998) in his book, *Organization Theory and Design*, because it shows the relationship of workers with the management, which is the focus of this study. It shows the factors that affect the rise of conflicts between workers and management – the sources of conflicts would be the "Triggers" while "Management of Group Interface" would be Daft's suggested strategies that would theoretically eliminate Intergroup conflicts. Managers can apply any of these strategies, as suggested by Daft (1998), in managing Intergroup conflicts, especially between workers and management.

- **Collective Bargaining**

This is the negotiation of an agreement between management and workers. The bargaining process is usually accomplished through a union, and it follows a prescribed format. Collective bargaining involves at least two parties that have a defined interest. It usually begins with the presentation of proposals or demands of one party, then evaluated by the other/s. This is followed by counterproposals and concessions. A rigid agreement is ultimately reached that defines each party's responsibilities for the next two or three years.

- **Cooperative Approach**

- *Gain Sharing*. Union members receive bonuses or other benefits rather than wage increases. This is designed to provide a

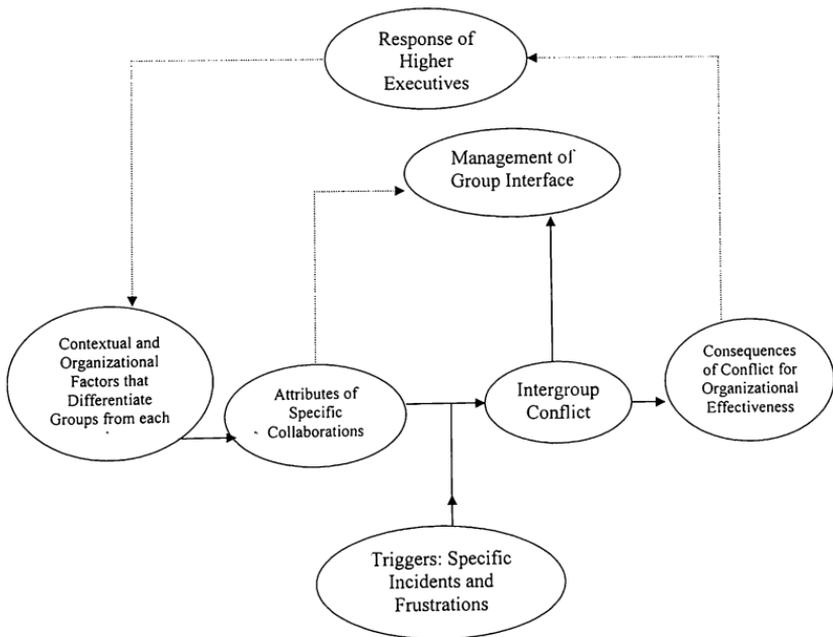
connection between organization performance and worker compensation.

- *Labor-management teams.* This is designed to increase worker participation and provide a "cooperative model" for union-management problems.
- *Employment Security.* This means, unions would allow workers to be reassigned to different positions. Employment security also means there can be no jobs unless the firm is successful. Managers and workers make a bond to succeed or fail together.

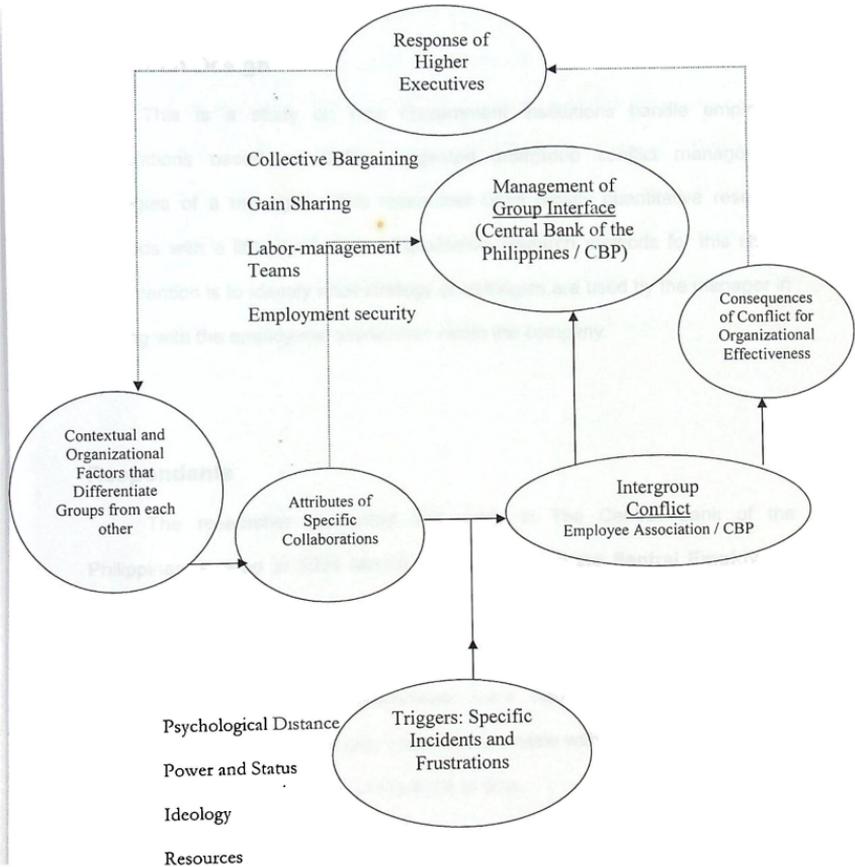
Daft's suggested sources of conflicts between management and employees would fall under the "triggers," which are:

- a. ***Psychological Distance.*** Workers often do not feel involved in the organization. They perceive that their needs are not being met. A union is a way of giving voice to those needs. It provides workers with clear group identity. Once the union is formed, members identify with the union, not the company, and try to achieve gains through the union... a win-lose conflict situation.
- b. ***Power and Status.*** Workers are at the bottom of the hierarchy and often feel powerless and alienated. They have little say in decisions about issues that directly affect their lives, such as wages and benefits. Standing together in a union gives them strength that equalizes their power with the management.

- c. **Ideology.** Values and ideology are basic differences between workers and management. These differences represent basic beliefs about the purpose and goals of organizations and unions.
- d. **Scarce resources.** Financial resource is the most common. Salary, fringe benefits, and working conditions are dominant bargaining issues. Workers look to the union to obtain financial benefits. Unions may strike if necessary to get the pay and benefits they want. Management, by contrast, feels pressure to reduce costs by holding the line on wages in order to maintain low prices.



Operational Framework



CHAPTER IV

METHODS AND PROCEDURES

Research Design

This is a study on how Government institutions handle employee associations based on Daft's suggested intergroup conflict management strategies of a manager. The researcher used mostly quantitative research methods with a little application of qualitative research methods for this study. The intention is to identify what strategy or strategies are used by the manager in dealing with the employees' association within the company.

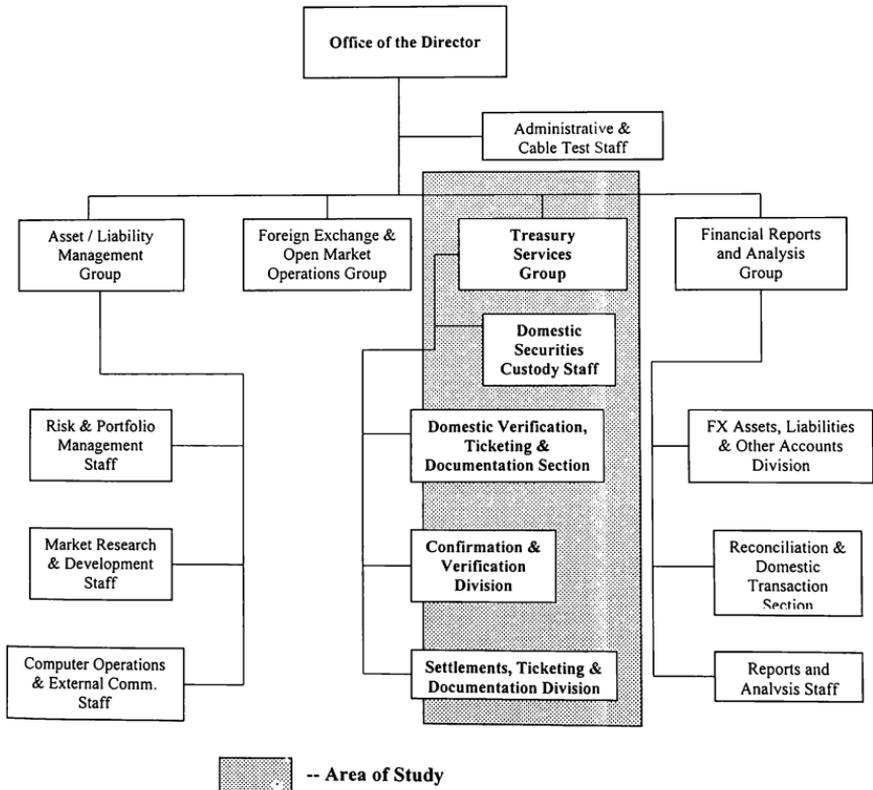
Respondents

The researcher conducted this study in The Central Bank of the Philippines, located in 1004 Manila, Philippines. **Bangko Sentral Employee's Association, Inc.** is the name of the group present in this institution. The department/group subjected to the study is the *Treasury Services Group* of the Treasury Department. Questionnaires were distributed to all 30 of the employees in the group and only one minor interview with the Deputy Director of the Group was done because of the limits of time.

Procedure for Data Analysis

The analysis of the data was done using methods of analyzing categorical data. Variables used were the involvement of an employee to any association, relating it to the intergroup conflict management strategies of a manager as suggested by Richard L. Daft (1998), the Types of Group Interdependence by Judith Gordon (1996) and Daft's Framework of Interorganizational Relationship. Methods in getting the average, particularly the mode, is used to get the frequencies of the respondents in each category, the percentages of which is also included. The Constitution and By-laws was made available for the researcher for the general description and objectives of the Association.

Chapter V

DATA PRESENTATION AND ANALYSIS**Data Presentation****Central Bank of the Philippines'
Treasury Department's Organizational Chart**

The Association

The Association is known as **Bangko Sentral Employees Association, Inc.** or **BSPEA**. Its domicile is located at Central Bank of the Philippines, Room 300, 3rd Floor, Multi-Storey Building, BSP Complex, Corner Vito Cruz and Mabini Sts., Manila.

Its purposes and objectives are as follows (as stated in Article III of the Constitution and By-Laws of the Association, done on July 13, 1966):

[A] To represent the employees in the negotiation with management with respect to salaries, wages, and/or fringe benefits and other emoluments; hours of work and other employment terms and conditions;

[B] To foster a harmonious relationship and progressive employee-management relationship;

[C] To protect and uphold the members' individual and collective rights through legal and peaceful processes;

[D] To work for the adoption of legislation, policies, and measures that will uplift the economic and social status of its members; and

[E] To coordinate with other employee associations of the (different branches) national government and/or government-owned or controlled corporations in matters affecting common interest and general welfare.

Note: Membership is open to both officers and employees (except casuals, part-time and consultants), unless withdrawal from membership is manifested in writing (as stated in Article II of their Constitution and By-Laws). Also note that, according to the Deputy Director of the Treasury Services Group,

there is another association inside the bank, which is the Central Bank Officers Club, Inc. (CBOCI). A copy of its Articles of Incorporation and By-Laws was also made available to the researcher. The said officers club has these written objectives and purposes of incorporation:

- 1] to safeguard and promote the professional, social, cultural, and economic well-being of all the members;
- 2] to foster greater camaraderie, fellowship and esprit-de-corps among members;
- 3] to uphold the dignity and protect the interest of its members, and provide them assistance whenever the need arises;
- 4] to pursue developmental programs for managerial/executive expertise concomitant with the professional growth of its members in order to prepare them for higher responsibilities in the future;
- 5] to promote a harmonious relationship between CB management and personnel to attain the objectives of the institution;**
- 6] to raise funds, receive contributions, gifts, bequests, legacies and donations for the establishment and administration of scholarship grants to deserving and qualified members of their dependents; and
- 7] In general, to do or exercise any and all lawful acts, including entering into contracts with individual or entities, necessary for the accomplishment of any of the purposes or the attainment of any of the objectives, or the furtherance of any of the powers hereinabove set forth.

Survey results

Of the 30 questionnaires that was given to the 30 employees of the Treasury Services Group, 29 were returned and these were the results:

Evaluation of the relationship with The boss (one did not answer)	Not good	x
	Good	5 respondents
	Very good	12 respondents
	Excellent	11 respondents
Total =		28 respondents (plus 1)

I. Relationship between Groups

Questions		Frequency of Answers (separated by how respondents characterized the relationship between them and their superior)			
Those who interact with other groups/departments		29 respondents said <i>yes</i>			
Why do they interact?	Needs something	Excellent	Very Good	Good	Total % out of the 29
		7	8	3	18 (62.7%)
	Help reach own group's goals	8	11	3	22 (75.9%)
	Needs a companion	4	5	1	10 (34.5%)
	Needs to be recognized	2	2	x	4 (13.8%)
	Required by the company	9	4	x	13 (44.8%)

Others: to develop one's self, not satisfied with the group before, continuing personal relationship.

It shows here that most of the employees interact with each other because it helps their group achieve their goals, with 75.9% of the total respondents.

II. The Employees' Relationship with their Superior

This is to determine Daft's suggestion of the sources of conflicts between employees and management: Psychological Distance, Power Status, Ideology, and Scarce Resources.

Questions		Frequency of Answers (separated by how respondents characterized the relationship between them and their superior)			
Those who interact with their Superior		29 respondents said <i>yes</i>			
Why?	Needs are met	Excellent	Very Good	Good	Total % out of the 29
		7	6	2	15 (51.7%)
		10	10	5	25 (86.2%)
		10	7	3	20 (69%)
		2	2	1	5 (17.2%)
		7	8	4	19 (65.6%)

Others : required by work

This reveals that almost all the respondents feel that they are included in a team, having 86.2% of the favor. Note that in this category, those who rated "excellent" and "very good" have the highest frequency.

III. The Management's Strategies to Solve Conflicts

Questions		Frequency of Answers (separated by how respondents characterized the relationship between them and their superior)			
		Excellent	Very Good	Good	Total
How conflicts are being solved?	Collective bargaining	5	7	5	17 (58.6%)
	Through benefits	8	10	4	23 (79.3%)
	Improve team relations	10	10	5	25 (86.2%)
	Security in employment	8	11	2	21 (72.4%)

This data shows that almost all the respondents support that improving the team relations is mostly used, with an 86.2% figure, to solve conflicts between employees and management. Also note that the "very good" category tops the chart in believing that they are secure in their jobs, having 91.7% of the 12 respondents in the category.

- *Suggestions of respondents in order to have an "excellent" relationship with one's superiors*

Category of respondents' view of relationship with superior	Responses
EXCELLENT	Learn to speak and also to listen Respect one another Accept imperfections/weaknesses/limitations Give one's best... more than what is expected Transparency, have a dialogue, openness, cooperation, feedback Sensitive to others' needs Be true to one's self

VERY GOOD	Cooperation Understanding one another Have patience Unselfishness Get involved Obey first before complaining Good interpersonal leadership qualities of superior Be professional
GOOD	Accept responsibility Be fair, impartial Have no favoritism Always be "sipsip"

Analysis

Apparently, all of the employees of the Treasury Services Group of the Treasury Department are members of the Employee Association in Central Bank. All of them interact with their superiors with the characterization ranging from being "good" to "very good" and to "excellent." Not one of them said that they have a not so good relationship with their superior. In relation to the framework, all of the strategies that Daft have suggested were used by the superiors to solve conflicts between employees and management, such as -

- **labor-management teams (86.2%)**
- **gain sharing (79.3%)**
- **employment security (72.4%)**
- **collective bargaining (58.6%)**

This shows that the strategy that is mostly practiced is **improving labor management teams**.

Incidentally, regarding the type of interdependence of the Treasury Services Group, based on Gordon (1996), the researcher saw that the type of interdependence is **team**. According to her, conflicts between groups in this type are more likely to happen. But the data manifested that conflicts do not really happen in the Treasury Services Group, because of high percentages of the answers of working with a team.

Also, in relation to the Officers Club, there are objectives that affirm that the employees and management work hand-in-hand in order to have a good relationship with one another, for example:

BSPEA

To foster a harmonious relationship and progressive employee-management relationship...

CBOCI

To promote a harmonious relationship between CB management and personnel to attain the objectives of the institution...

We can see here that in the objectives alone, intergroup conflicts are being solved by making employee-management relations a priority. And the fact that all employees, including officers, are automatically members of the BSPEA, the gap between employee-management relations is lessened.

Following Daft's definition of intergroup conflict as "the behavior that occurs among organizational groups when participants identify with one group and perceive that other groups may block their group's goal achievement or expectations," the Treasury Services Group does not have big problems that they

would perceive as a hindrance to their goals because of the big percentage of the answers that they interact with their superiors because they are included in the decision-making process (69%) and that their needs are attended to (65.6%).

The overall evaluation of the relationship between the employees and their superior is "very good" bordering on "excellent" because of the closeness of the numbers of the frequencies in each category... 12 respondents and 11 respondents respectively.

CHAPTER VI

SUMMARY, CONCLUSION and RECOMMENDATIONS

Summary

Of the 30 questionnaires that were given to the 30 employees of the Treasury Services Group, 29 were returned. The researcher categorized the data by how the respondents view the performance of their superior - excellent, very good, good, and not good - and by having three parts, which are (1) *Relationship between groups*, (2) *Employees relationship with their superior*, and (3) *Management's strategies to solve conflicts*. There were none among the respondents who viewed their relationship with their superior as "not good."

The data is summarized as such:

Part I. Relationship between Groups

It shows here that most of the employees interact with each other because it helps their group achieve their goals, with 75.9% (22 of 29 respondents) of the total respondents.

Part II. The Employees' Relationship with their Superior

This reveals that almost all the respondents feel that they are included in a team, having 86.2% of the favor. Note that in this category, those who rated "excellent" and "very good" have the highest frequency.

Part III. The Management's Strategies to Solve Conflicts

This data implies that those who answered that their relationship with their superiors as "excellent" and "very good" supports that improving the team

relations is mostly used, with an 86.2% figure, to solve conflicts between employees and management. The "very good" category tops the chart in believing that they are secure in their jobs (91.7% of the total respondents in the "very good" category).

Conclusion

Based on the results of this study in the Treasury Services Group of the Treasury Department of The Central Bank of the Philippines, Government institutions are handling employee associations, as what have Richard Daft have proposed, as ideal. Collective bargaining, giving benefits, improving team relations, and security in employment are very much practiced by the superior, as witnessed by the employees, as shown by the frequency of the responses in each category. Employees are very much satisfied with how their superiors treat them because not one of the 29 respondents thinks that they do not have a good relationship with them.

One can also see that the organizational structure of the Treasury Services Groups works with a team in mind. In the part where the Employees' relationship with their superiors, the respondents that checked "feels included in a team" has the greatest frequency.

There were no indicated sources of conflicts as what Daft has suggested in his Model of Intergroup Conflict in Organizations. Instead, these "triggers" were sources of a better or good way of handling the Employee Association in this government institution, because they were manifested in a positive way, or in

a constructive way. All of the respondents related to their superiors well and vice-versa, as manifested in the frequency of making them feel included in a team, having an 86.2% rating. For those who rated their superior as excellent, their suggestions for having an excellent employee-management relation are merely descriptions/perceptions of what the present conditions happening in the office. Basically, all of the suggestions are similar in the three categories, it's just the difference in perceptions of each respondent that separated the ratings. But in general, the rating is very good.

In the study, the researcher can not further suggest better strategies that can be used because employee-management relations are excellent.

Recommendations

A. For the Organization

As what have the data have manifested, there is little or no known conflicts inside Central Bank of the Philippines between employee and management, the researcher could not give any recommendations for the company. Instead, the researcher hopes that this very cooperative and very team-minded atmosphere in the company would continue.

B. For the Research

The study could be enhanced further if there were added interviews with the employees and the management to know some hidden issues inside the organization with regards to how managers and higher officers deal with a dual involvement in both the management and the employees' association.

Finally, a comparative approach could be done to know if the situation in the Treasury Services Group of the Central Bank of the Philippines holds true to all government institutions.

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APPENDIX

Dear Sir/madam,

I am a 4th year. BA Organizational Communication student from the University of the Philippines Manila and I am currently doing a thesis with the topic. **The Conflict Management Strategies of a Government Institution in Handling Employee Associations.** I would like to ask for a little bit of your time in answering this questionnaire for the progress of my research.

Thank you very much for your time. God Bless!

Kindly check the blank for the answer.

1. Are you a member of any employee association? yes no

2. Do you interact with people in the other groups/departments?

yes no

If yes, why? (check as much as needed)

needs something

to help achieve own group's goals

needs a companion

needs to be recognized

required by the company

others (pls. Specify)

If no, why? _____

3. Do you interact with your superiors?

yes

Why?

needs are being met

feels included in a "team"

feels included in the decisions of the
dept/group

compromise in ideologies

to get needs: to be heard

others _____

no

Why?

needs are not being met

doesn't feel included in a "team"

doesn't feel included in decisions

there are conflicts in ideas

resources are not enough

others _____

4. How would you characterize the relationship you have with your boss?

not good good very good excellent

5. What suggestions can you give in order to have an "excellent" relationship with your superiors?

6. How do conflicts between employee association/union and administration being resolved? (check as much as needed)

collective bargaining

through benefits

improve team relations

security in employment

Name (optional)

Position:

Department: