

**ST.MARY'S UNIVERSITY
FACULTY OF BUSINESS
DEPARTMENT OF MANAGEMENT**

**AN ASSESSMENT OF EMPLOYEE-MANAGEMENT
RELATIONSHIP
PRACTICES IN CASE OF ETHIOPIAN REVENUE AND CUSTOMS
AUTHORITY NIFAS SILKE LAFTO KIFE-KETEMA BRANCH
OFFICE**

**BY
ETAFERAHU MEKUANENT**

**JUNE 2014
SMU
ADDIS ABABA**

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AND CUSTOMS AUTHORITY NIFAS SILKE LAFTO KIFE-
KETEMA BRANCH OFFICE**

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CHAPTER ONE

INTRODUCTION

1.1. Back ground of the Study

Employee management relationship is one of the primary components to a strong organizational culture. It is fundamental to achieve organizational goals and objectives. Employers and employees often work in close contact. Managing these relationships is vital to organizational success, since strong relationship can lead to greater employee happiness resulting increased productivity. Successful employee management relationship puts the company in higher position creating highly motivated, competitive and satisfied employees who considers the company as their own (William A.H. 2002: 200).

Quality of work life is an attitude of management that believes co-operative relationship between employees and managers and believes every employee has the ability and right to offer his intelligence and useful inputs into decisions at various levels in the organizations. To achieve these cooperative effort organizations must improve the quality of work life that will make employees more productive at their work place using good work system. A work system is a system in which human participants and/or machines perform work using information, technology, and other resources to produce products and/or services for internal or external customers. Typical business organizations contain work systems that procure materials from suppliers, produce products, deliver products to customers, find customers, create financial reports, hire employees, coordinate work across departments, and perform many other functions (William A.H. 2002: 220).

Effective employee management relationship requires ongoing attention i.e managers and human resource departments should be alert all the time for signs of discontent which results from poor employee management relationship. This poor employee management relationship may be due to several factors like uncomfortable leadership style and organizational structure. In such case employees will have a divided heart; they will not

devote for the success of the company, they become ignorant for everything concerning the company and even they will start to look for vacancies outside from the organizations. This case is reflected in Ethiopian Revenues and Customs Authority is the body responsible for collecting revenue from customs duties and domestic taxes. In addition to raising revenue, the Ethiopian Revenue and customs Authority is responsible to protect the society from adverse effects of smuggling. It seizes and takes legal action on the people and vehicles involved in the act of smuggling while it facilitates the legitimate movement of goods and people across the border. The ERCA traces its origin to July 7, 2008 as a result of the merger of the Ministry of Revenues, the Ethiopian Customs Authority and the Federal Inland Revenues into one giant organization.

According to article 3 of the proclamation No .587/2008, the Authority is looked upon as "an autonomous federal agency having its own legal personality". The Authority came into existence on 14 July 2008, by the merger of the Ministry of Revenue, Ethiopian Customs Authority and The Federal Inland Revenue Authority who formerly were responsible to raise revenue for the Federal government and to prevent contraband. Reasons for the merge of the foregoing administrations into a single autonomous Authority are varied and complex.

The total number of employee in Ethiopian Revenue and Customs Authority Branch Office of Nifas Silke Lafto Kifle Ketema 270.

This student research paper tries to study about employee management relationship, factors associated with poor employee management relationship and possible outcomes of poor employee management relationship.

1.2. Statement of the Problem

Quality of work life is an attitude of management that believes co-operative relationship between employees and managers and believes every employee has the ability and right to offer his intelligence and useful inputs into decisions at various levels in the organizations. To achieve these cooperative effort organizations must improve the quality of work life that will make employees more productive at their work place using good

work system. A work system is a system in which human participants and/or machines perform work using information, technology, and other resources to produce products and/or services for internal or external customers (Ahuja and Shukla, 2005:292)

Which result poor performance leading to difficulty in achieving organizational goals and objectives. This poor performance becomes disastrous when it comes to service providing organizations like ERCA is the body responsible for collecting revenue from customs duties and domestic taxes is one of these organizations which provide different customs duties and domestic taxes all over the country. Despite when they come to the tax centers that they did not get the service very well. As it was suggested by different peoples including employees it is the result of poor management employee relationship employed in the organization. And from preliminary investigation the student researcher found that there is a gap between the management and employees working in the Ethiopian Revenue and Customs Authority particularly in areas of communication, conflict management, quality of work life, and keeping people under discipline. I was taken feedback from the customers and employees and other secondary documents from the organizations.

1.3. Research Questions

Based on the above problem, the student researcher raised the following research questions:

1. What kind of employee management relationship is practiced in the branch office of Nifase Silk Lafto K/Ketem?
2. What are the factors affecting employee management relationship?
3. What is the attitude of employees towards Employee Management Relationship Practice in the Nifase Silk Lafto K/Ketem?

1.4. Objectives the Study

This study had the following general and specific objectives.

1.4.1. General Objectives

The general objective of this study is to assess Employee Management Relationship Practice of ERCA Branch Office Nifas Silk Lafto K/Ketema.

1.4.2. Specific Objectives

The specific objectives of the study are:

1. The employee management relationship practiced at ERCA branch office Nifas Silk Lafto k/ketema.
2. The attitudes of employees toward employee management relationship practice in ERCA branch office of Nifas Silk Lafto Kifle Ketema?
3. The mechanisms used by the management to handle employee management conflict?

1.5. Scope /Delimitation/ of the Study

Customers of the organization through their frequent visit for monitoring and evaluation way have some understanding about the employees and the management of the organization. The study included views of the customers it had some contribution to the end result of the study. However, since the organization has different customer inside and outside of the country the study was not encompassed views of the customers regarding the management and employees of the organization. This is because it required more time and financial resource. Therefore the research was focused only on the information that will be gathering from the branch offices and head quarter of the organization.

On the other hand, employee management relationship issue is a broad issue that needs sufficient time and financial resource in order to make intense observation at Nifas Silk Lafto K/Ketma Branch Offices. Due to this fact the student researcher had been conducted the study through questionnaires and interview only. Besides, the period for this study will be from 2005 to 2008.

1.6. Significance of the Study

The study may have the following contribution:

1. It improves more understanding about employees and management relation and beneficiary to the organization.
2. It reminds the management of the organization to provide great concern for the issues related with employee's management relationship for the successes of the organization.
3. It will develop and experience for the researcher to build up knowledge regarding the research techniques and reporting methods.

1.7. Research Design and Methodology

1.7.1. Research Design

In this study descriptive research design method had been employed to assess and describe the satisfaction of employee in Ethiopian Revenue and Customs Authority Nifas Silk Lafto K/Ketma Branch Offices.

This is because this method is important for descriptions of a phenomena or characteristics with a particular subject usually to discover answers to the questions what, who, when and how. Therefore this study tried to assess the main reason which is responsible for employee satisfaction, as when and how employees are satisfied.

1.7.2. Population, Sample Size and Sampling Techniques

The total population of the study was 80 of which 52 are female and 28 are male (including the management). Based on this fact a census technique was employed to gather data from every employee of the organization using questionnaire, interview conducted with department manager.

1.7.3. Type of Data Collected

To conduct this study primary and secondary source of data were used the primary data through questionnaire and interview on the other hand, secondary data collected from the organization different documents relevant books and other printed sources.

The questionnaires' were distributed for all 80 employees.

1.7.4. Methods of Data Collection

Open and closed ended questionnaire were distributed to employees and personal interview was conducted with managers of department to collect primary data. The secondary data had been gathered thorough company documents and books.

1.7.5. Method of Data Analysis

The student researcher applied descriptive analysis research method to summarize the idea. The collected data was analyzed and described using percentage and it was demonstrated by tables to look for possible pattern among the group.

1.8. Organization of the Study

This paper organized into four chapters. The first chapter covered the nature and approach of the problem which includes introduction, statement of the problem, research questions, objective and significance of the study, scope of the study, research methodology and organization of the study. The second chapter deals with review of related literature. The third chapter includes data presentation analysis and interpretation of the study. The summary of major findings conclusion and recommendation for warded in chapter four.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1. Employee Management Relationship

In today's competitive environment success depends on employees using their full talent. Whether the organization is large or small it is through these employees that its goals and objectives are achieved. Employees at all level can make or break the organization, so that they must be made to work at their full effort and talent. Employees need something to keep them to work even if each person's reason to work is different. This something impacts the moral, productivity and/or the quality of life of the employee. Most organization strives for high employee morale and productivity and low turnover via creating conducive environment for them to work. Conducive environment can be effected by good employee management relationship (William, A.H 2002: 200).

According to Cole (2002: 382) "Employee management relationship is a contractual relationship that exists between an employee and employer even where aspects of the relationship are subject to collective agreements." The contract is not only a written document it also encompasses unwritten or implied terms and can include custom and practice as well as formal matters. When an employer hires a new employee she/he is not bringing only a new member of work force but also is starting a new relationship. Since this relationship is in close area or contact they necessary develop a relationship, which requires greater attention. Managing these relationships is vital to business success, as strong relationship can lead to greater employee happiness and even increased productivity.

The relationship between employer and employee should be mutually respectful considering the degree of closeness which depends on both the employer and the employee. Some want this relationship to be at distant and in doing so, ensure that there is no confusion as to the hierarchy that exists between them. Others prefer to become friendly with their employees, seeing this as away to rise up employee happiness. While

neither option is entirely right or wrong, it is wise to avoid getting too close, as doing so can cause the line between employer and employee to become blurred.

The relationship should also be one of mutual reliance. The employer is relying upon the employee to perform his/her job and, in doing so, keep the business running smoothly. Conversely, the employee is relying on the employer to pay him/her and enable him/her to support him/her self and potentially his/her family financially (Derek T, Laura H. and Stephen T. 2008: 302)

2.2. Communication

According to Graham and Bennet (1995:121) “An organization may consist of management, employee, premises, equipment, materials, etc...but will not come to life unless communication effectively link all these parts together and co-ordinate their activities.” Communication is an essential function of management and all the managerial activities such as; planning, organizing, directing, coordinating and controlling can only be implemented successfully, if they are communicated effectively. The success of a manager depends on more on his ability to communicate than any other skill. Manager that focuses on developing his/her skill and ability to communicate will be more successful at his/her job. It is no exaggeration if we say that good managers are good communicators and poor managers are usually the opposite. Communication is the process of creating, transmitting and interpreting ideas, facts, opinions and feelings between persons placed in different positions to bring about mutual understanding and guidance or good human relation (Ahuja and Shukla, 2005:290).

It involves feeling, emotion, interest, experience, ideas and attitudes of persons. It is the first and vital role in manager's employee's relationships to create positive environment for people to work in. Effective communication is a flash of lighting which enables us to see others and make ourselves seen and known. Effective management communication provides subordinates with the ability to trust leadership, have a good understanding of what is expected of them and results employee satisfaction. It deliver clear directive, help people develop their skills and provide standards and expectations for them to operate by

without effective communication followers will be confused, lacking direction and unprepared to accomplish their tasks (Cole, G.A. 2002: 207).

2.2.1. Function of Communication

The main purpose is to effect change to influence action. It is important that policies and objectives which an organization has to follow are suitably communicated to its work force. Thus they are able to carry out their work in accordance with the guideline laid down (Cole G.A. 2002: 412).

According to Dwlevdi R.S, (2004: 124) Effective communication is important to:

- To inform, instruct and provide direction.
 - To provide updates, new policies and other organizational information,
 - To instruct employees through training and development, personal assessments and one on one interactions.
 - To provide direction on the objective of the department and the needed logistics and steps required to accomplish the tasks.
 - Provide a smother operation day to day activity, as well as make employees feel more part of team.
 - Help people develop their skills and provide standards and expectations for the team to operate by.
 - Empower employees' gather feed backs and implement organizational change.
- Dwlevdi R.S, (2004: 124).

2.2.2. Types of Effective Communication

Effective communication in management can manifest in various ways (Graham and Bennet, 1995: 121)

o Formal or informal communication

Formal: - type of communication arranged or approved by the management.

E.g. Written, spoken

Informal: - type of communication which is unofficial and unplanned

E.g. Gestures, facial expression

- **One way or two way communication**

One-way:- communication in which the sender makes no provision for reaction from the receiver. It is quick and preserves management authority.

Two-way:- which is framed in such a way that a response from the receiver is provided for and encouraged. It is common in personal coaching, training and development. It is much slower and indicates a more participative approach to decision making (John G. and Graham J, 1997: 325).

Upward, downward or lateral communication (John G. and Graham J, 1997: 329).Upward communication:- type or communication in which information flows from a lower level to a higher level i.e. when subordinates send a message to a leader.

Downward: - in which information flows from a higher level in the organization to a lower. I.e. when a leader manager sends a message to subordinates. The information could be a work performance assessment, a memo informing employees of a schedule change or a corporate meeting lead by the Chief executive officer.

Lateral/sideways: - Information flows from one level to another having the same. E.g. inter departmental communication (Graham and Bennet, 1995: 121-123).

- **Organizational communication:-**is information exchange between a person and a group. It is demonstrated through mass e-mails, group meetings and voice mails.

- **Public speaking and**

- **Internal communication**

Most formal communications are downwards, while informal communications are mostly upwards or lateral. Management communicate policies, plans, information and instructions downwards and employees communicate ideas, suggestions, comments and complaints upwards. The downward communication is achieved by means of the chain of management. While the upward is by workgroup meetings, by joint consultation machinery and by grievance procedures. Many organizations have communication problems because they don't make formal arrangements for communication to flow (Graham and Bennet, 1995: 121-123)

2.2.3. Forms of Communication

The form which communication takes place profoundly affects the attitudes of the employees and the degree to which they understand and support management policies. Communication can be in the form of open-door policy, keep in touch, employee engagement and monitor employee satisfaction as discussed in detail in the following paragraphs (John G. and Graham J, 1997: 233).

- A. **Open-door policy:** - is a policy made by the management to welcome employees with any concerns and/or issues in the work place. It encourages employees to come to the management with ideas that make the work environment effective and issues that may endanger the work place or have negative consequences in the office. Keeping open the line of communication between employees feel that they are not being listened to or that their opinions or suggestions on work related issues are irrelevant, they often become frustrated which lead to lowered moral and hostile working environment (John G. and Graham J, 1997: 233).
- B. **Keep in touch:** - managers should know their employees very well. If not it creates a gap that can lead to less effective management. A manager should take time to get out and walk through the office and observe employee in day-to-day activities; also she/he should be aware of the way employees interact with one another. Creating regular company newsletter, taking advantage of the company internet or e-mail to deliver information help to keep employees informed about the company. Managers who are “out of touch” with their employees often cause low productivity, declining moral and high turnover. On the other hand employees who feel a connection to their manager are often highly productive and engaged in their work (John G. and Graham J, 1997: 234).
- C. **Employee engagement:** - involving employees in the day-to-day activities of the company is another effective way of keeping a strong communication between management and employees. Employees may lack motivation because they don't feel involved in the company's bigger picture. Sharing broader perspectives with workers via improved communication can help employees see how their valued work helps drive the company's mission and profits. It includes informing employees about

company policies and procedures, explaining new actions taken or decisions made, informing employees of ongoing decision, forewarning employees of impending challenges and asking for their input regarding ways to improve the work environment so that they do not come as a negative surprise. This promotes a strong team work ethics. Arranging a drop box where employees can drop nameless suggestion or comments that management will review on a regular basis is also a means of communication (John G. and Graham J, 1997: 323).

D. Monitor employee satisfaction:- what employees feel about the level of communication that they have with managers should be monitored. Organizational communication should satisfy the need of organization and its member. Periodic survey can be considered to have valuable information about this (William A.H., 2002: 182).

Effective communication is a broader process than only passing orders and keeping people informed about the activities and various decisions of the organization. But also requires checking that it is correctly received, understood and carried out by the receiver. Decisions must be known to employees and some kind of control system should be arranged to ensure that these decisions are acted on. The decisions themselves should be based on a flow of information reaching management from all parts of the organization. (William A.H., 2002:200).

The management problems generally result from poor communication. Serious mistakes are made because orders are misunderstood a miss understanding by employees of the intention of management or vice versa or a misinterpretation of company policy. To avoid this misunderstanding communication with these two parties should be consistent, trustworthy and followed through, the message should be short, simple and easy to understand. Also messages should be delivered using various methods such as written, oral and nonverbal communication. The manager should provide clear objectives, tools to accomplish the objectives and the steps needed (William A.H., 2002: 200).

2.3. Conflict Management

Poor communication may create conflict between co-workers or between an employer and an employee in the work place. Conflict is an endemic problem of any social situation and an inevitable part of life, i.e. whenever people who have different goals and different out looks on life come together conflicts is inevitable. It occurs in work place when two or more people are unable to reconcile constructive views, ideas or opinions. Organizational conflict is a difference of opinion among the internal members of an organization such as management, employee, principals or board member. It can prevent a project from moving forward if two parties cannot agree on how to proceed (William A.H., 2002: 308).

Conflict between employer and employee arise from; when compensation paid to the worker is not sufficient enough to meet the basic needs, when one or more employee become a victim of harassment and when there is no equal employment opportunity at work place. It can also result from differing opinions about job responsibility, organizational change (change in policies and procedures) or miscommunication, when an employee is not informed about a decision or doesn't understand the reason for decision, when there is misunderstanding of the role assigned to him/her by the employee, and when the employer does not provide support to the employee (William A.H., 2002: 310).

Organizational conflict that is not being handled appropriately can be identified by a number of signs including loss of productivity, disagreement, strikes, lock-outs, agitation, destruction, obstruction and break down. Conflict was considered as counterproductive to organizational goals but experts believe that conflict free cooperative organizations tend to become stagnant and conflicts are not altogether bad they have creative element as well. Therefore the effort should be on harnessing conflict for improvement rather than fighting considering it harmful (Ahuja and Shukla, 2002:290).

- a. Finding a way to manage these natural conflicts and limit them is crucially important in business. How you manage conflict when you encounter it can determine how successful you are at resolving the conflict and reaching successful solution. Conflict management is a systematic process to find a

satisfying outcome between conflicted parties. It is less about identifying a problem than it is about establishing an ongoing process with leaders dedicated to creating open communication, developing productive work relationships, encouraging participation, improving organizational process and procedures and helping individuals develop win-win outcomes (Cole G.A., 2002: 120).

- b. **Avoidance:** - instead of facing the problem and dealing with the conflict you avoid the issue altogether. It may provide temporary agreement but will not solve the problem causing the conflict to happen again. Usually classified as lose-lose approach (Cole G.A., 2002: 123).
- c. **Accommodation:-** involves one side making concessions to another side. Typically classified as lose-win approach as the person making concession does not receive anything for their efforts, but the recipient of concession wins (Cole G.A., 2002: 126).
- d. **Competition:-** occurs when at least two mutually exclusive solutions are presented for a problem and one must be selected. It is classified as a win – lose approach as only one solution can be selected (Cole G.A., 2002: 130).
- e. **Compromise:-** is a conflict management strategy where all parties involved make a sacrifice to achieve a common goal. It usually classified as lose-lose approach as each side must give up something of importance this approach can be a successful one in long term relationship but may breed frustration in short term engagement, leading to dissatisfaction with the final product of interaction(Cole G.A., 2002: 132).
- f. **Collaboration:-** occurs when parties involved in a conflict work together to develop a solution that meets everyone's needs. This approach is classified as a win-win strategy. Usually results in the development of a solution not previously considered in the conflict. It works best when there is plenty of time to develop a solution and the amount of people involved is small enough to facilitate meaningful conversation (Cole G.A., 2002: 134).

An employer may take certain actions to help resolve issues, but may also exercise preemptive measures to prevent conflict. It include

- g. **Communication:** - is the most important conflict resolution tool. It is essential for supervisors to meet with their staffs routinely allowing everyone to air complaints (William A.H., 2002: 305).
- h. **Relationship building:** - a supervisor should work to develop individual relationship with employees in an effort to create an open environment free of potential conflict (William A.H., 2002: 305).
- i. **Guidelines:** - a management must create and enforce basic rules and procedures governing the work environment to eliminate potential for disagreements or conflicts (William A.H., 2002: 305).
- j. **Performance management:** - as it is said many conflicts in work place occur as a result of employee dissatisfaction secondary to performance. It is important for a manager to regularly review her/his employees' job description, ensuring that each individual is utilized to the best of his ability (William A.H., 2002: 306).
- k. **Training:-** providing soft skill training such as communication and conflict resolution may help the supervisor in creating conflict free environment (Cole G.A., 2002: 122).

The purpose of managing a conflict is to find a solution. But it is better to prevent its occurrence by turning it in to a positive brain storming session between parties involved in the conflict. Differences of opinions and new ideas can create innovative solution and concepts that can actually benefit an organization. (Cole G.A., 2002:123).

2.4. Counseling

According to Graham and Bennet (1995: 7) Counseling is the processes of helping people recognize their feeling about problems, define those problems accurately, find solutions, or learn to leave with a situation. It occurs between manager and employee having an objective of developing positive change in the employee's behavior or performance i.e. it is done in order to maintain a certain level of performance or to reinforce certain behavior. So that it requires a cooperative effort and a shared responsibility of both

parties. Counseling situations arise when a manager listen to grievances, handle disputes, deal with employees accused of improper behavior, or assist people undergoing excessive work related stress (Graham and Bennet, 1995:7).

Effective employee counseling depends on very much on saying the right thing in the right manner to the employee, and the session might involve giving advice, encouraging a change in behavior, discussion of a problem not previously recognized or accepted by the counselee, helping someone take a difficult decision, gaining acceptance of a situation that cannot be changed and altering someone perceptions of an issue. It is not a onetime occurrence rather it may require more than one session before the problem is solved, and it should always occur in private and without interruption from ringing telephones, secretaries with messages (Graham and Bennet 1995:12).

2.5. Discipline

Employees experience conflict at work and sometimes break the rules the organization have set. Thus it becomes the manager's job to minimize this conflict and get things done back. It is the force of discipline that enables a manager's job to minimize this conflict and get things done back. It is the force of discipline that enables a manager to reach the heart of subordinate. Discipline has to be learnt, studies and applied by every manager in all walks of his/her life. Because it is always best to keep people under discipline. Disciplined behavior brings harmony and is conducive to the interest of the group (Ahuja and Shukla, 2005:775).

The real causes of indiscipline come from the experience o an employee form his/her organizational culture, ideology and environment, so that organization has to provide environment, formulate, programs and procedures in such a way that the employees behavior are conditioned to discipline. Discipline indicates a mode of conduct and is essential for orderly conduct of any organization and effective utilization of time and energy of workers and the economic use of resources. It is the responsibility of the employer to maintain and infuse discipline and therefore employer has the inherent right to punish suitably delinquent employee (Ahuja and Shukla, 2005:776).

There are many systems available for disciplining employees; (Nirmal, S.2002:233)

- ❖ **Traditional progressive system:** - this model instructs the supervisor to solve the problem by conducting coaching and counseling sessions. When this fails the supervisor move to formal disciplinary action which is a four-step process; oral warning followed by written the suspension without pay or written final warning noticed or prohibition. If no improvement termination will be applied. (Nirmal, S.2002:236)
- ❖ **Positive discipline system:** - also called discipline without punishment. Developed from traditional discipline procedures and also it is progressive. In this system when problems become more serious the response will also become more serious. The system avoids Warnings and reprimands and disciplinary suspensions without pay. Instead focused on requiring individual responsibility and decision making. Here, the individual who is going to be suspended will be instructed to come back on the day after the suspension having made a final decision to solve the problem and make commitment to perform good in every area of his/her job or to quit and find work somewhere else. Therefore his/her future will be placed on his/her own hand (Nirmal, S.2002:235).

The above two systems require the employer to progress through each step before proceeding to the next, which is very limiting because it is not flexible and supervisors only follow the procedures to generate paper work. Also they view the steps only as hoops put up by the personnel department for them to jump through in order to affect the problem employee's firing.

The purpose of discipline is to assist employees in changing their behavior, performance or attendance. This requires that the employees have adequate information about their current performance; attendance or behavior compared to the desired performance, attendance or behavior, employees should know their short comings and got a chance to improve it. By doing this the company may save the cost incurred to hire new employee. As it is known employers will invest large amount of money to train and replace an employee. This approach is used by the corrective discipline system (Nirmal,S. 2002: 238).

According to (Nirmal,S. 2002: 233). “corrective discipline system is a system which allows managers to select the type of discipline based up on the facts and circumstances of the particular situation keeping consistency of decisions. “In this system employees will be warned and/or counseled before disciplining or terminating decisions has to be made, which decreases the legal risk in case the employee claims improper discharge. Well-prepared documentation is also important to back up decisions and prevent legal risks. Documentation requires a well-crafted disciplinary policy to enforce actions having the following ground rules.

- Clearly communication to employees by periodically providing a copy to each employee, posting it or including it in an employee hand book.
- Prohibition against discrimination and harassment in work place.

Generally a good disciplinary system should have the following characteristics (Allen, 2002: 12).

- **Advance warning:** - If rules and penalties are clear and well understood a violation produces some natural consequences. Therefore standing orders or rules should be made known and communicated.
- **Impartiality:** - The disciplinary authority should not feel a sense of prides or be apologetic while inflicting any penalty in the interest of the organization.
- **Consistency:** - under identical situation there should not be marked difference in the action taken.
- **Impersonality:-** while dealing with discipline there should not be personal feeling (Ibid).

2.6. Quality of Work Life

(John, G. and Graham J.1997:300) Quality of work life refers to the favorableness or favorableness of a job environment for people aiming at developing of human resource as well as enhancement of production. It is a philosophy of management that believes co-operation relationship between employees and managers and also believes that every employee has the ability and right to offer his/her intelligence and use full inputs into decision at various levels in the organization (John, G. and Graham J.1997:302)

To improve the quality of work life, the work satisfaction of employee is to be considered as a motivational strategy. Improvement in the quality of work life is sought to be achieved through re-organizational and re-structuring of job content. Quality work plan involves changes in values, norms, systems, styles, processes and structures in the organizational process. The main drive is in optimizing the job satisfaction available to employee. (John, G. and Graham J.1997:304).

In the total system of quality of work life, the process of bringing desired change itself is very important. It has been proved that participative process where the employees concerned are involved in bringing the change that brings more effective results.

2.6.1. Criteria for Quality of Work Life

According to (John, G. and Graham J.1997:306). quality of work life encompasses various aspects related to:

- ✓ Quality of working environment:- it is an essential element

Managers can ensure such environment in the following ways;

- ✓ Continuous, committed and concerned housekeeping
- ✓ Safety provisions and promotions
- ✓ Welfare facilities upkeep and environment
- ✓ Occupational health and medical services.

Safety culture is an essential element in the quality of work life. Environmental factors like sanitation, drinking water, rest shelters, ventilation, and lighting, etc... do affect the quality of work life These factors require continuous improvements.

- ✓ **Employee:** - is the main activity of human resource department.

Factors related to employee motivation are;

- ✓ **Proper communication:**- respecting the dignity of the worker as a human being and motivating his/her enormous potential for contribution and growth to gain the confidence of the worker that's/he is seen as a member who is important to the organization.

- ✓ **Employee facilities:** - facilities from an important factor in determining the belief of worker on company's care for him/her. Provision of catering services and Mobil van service to scattered places are some of the facilities that are used to extend satisfaction levels of employees.
- ✓ **Employee performance recognition:** - recognition of employee's performance increases the moral of them and stimulates a desire to excel at the work place, spreading cheerfulness to the families and enhance the social status of the employee. These can be done by displaying photograph of good performer, sending letter of appreciation, etc...
- ✓ **Employee participation with team-spirit:** - to maximize improvement of quality of work life, management has to create team-spirit and sense of involvement among workers. Formation of participative group like quality circle enable the committed work teams voluntary take up improvements in their area of work (John, G. and Graham J.1997:310).
- ✓ **Development and job enrichment:** - job satisfaction increases work efficiency, therefore it is essential elements of work life. Human resource development plans to develop the knowledge and skill of the worker and positively shape the attitudes and competencies of the work force and improve the possibilities to optimize their utilization.
- ✓ **Quality of work life and human resource development:** - involving dynamic human resource development strategies also improve the quality of work lie of employees. Human resource development view point strategy believes that the workers involved in the process of work are the best qualified to bring about improvement in their area of work.
- ✓ **Quality of work life and increasing the status of the family:** - an employee comes from home every day not only to earn his/her livelihood but also to pay a meaningful role as a strong link in the human chain of the company. Thus, s/he lives in between two worlds; his/her sphere of activities at work place and the world at home. Human resource department takes care of the responsibilities of bringing together of these two worlds. The interaction of the manager with the family members of employees and the kind of welcome create a climate of

homeliness in the floor, which brought them closer to the company and enable them to develop right attitudes to the working life of the employees, given that they may not have a proper understanding of the work place (work place with high pressure of work, day-to-day stress and strain, high responsibility and job accountability) in which the employee spends a major portion of the day and earns living (John, G. and Graham J.1997:311).

There are eight identified dimensions which make up the quality of work life frame work. They are:-

- **Adequate income and fair compensation:** - employees want fairness and adequacy in their pay rewards. Equal pay for equal work and that is related to responsibility, skill, performance and individual accomplishment are viewed with great importance. It must also be competitive with the external labor market and should be responsive to existing practice and changing economic conditions.
- **Safe and Health working conditions:** - and organization must create working conditions that are physically and psychologically safe for its workers.
- **Immediate opportunity to use and develop human capacities:** - development of workers involves training, skill development, recognition and promotion. And work assignments should be made challenging enough to expand skills, abilities and knowledge.
- **Opportunity for continued growth and security:** - there must be employment which provides continual growth and job and income security. And opportunities for training and advancement should be considered.
- **Social integration in work organization:** - work environment should safe guard an employee's personal identity and self-esteem through freedom from prejudice, a sense of community interpersonal openness and the absence of stratification in organization.
- **Constitutionalism in the work organization:** - there should be the rights to personal privacy, free speech and equitable treatment in the work place.

- **Work and the total life space:** - a person's work should not over weight his/her life. Ideally work schedules, job demands and travel requirements should not take of too much of his/her free time and family life.
- **Social relevance of work life:** - the reputation of an organization in the society can influence an employee's value of his/her work and career. The worker perceives the organization to be socially responsible in its products, waste disposal, marketing techniques and employment practices and so forth (John, G. and Graham J.1997:313)

There are problems faced during implementation of quality of work life;

- **Managerial attitudes**

Quality of work life is based on the belief in worker participation. So that, management must be prepared and willing to allow its employees to participate on decisions about conditions or processes which affect their work tasks and environment. Traditional managers may consider this as a challenging to their rights to control and make decisions, which affects workers work and environment. They may not be willing to delegate decision-making. Generally they believe that employees are inherently lazy, lack responsibility, and require close supervision, are likely to resist any attempt towards quality of work life programs. Such managers will set objectives for subordinates and will limit employee participation.

- **Union influence**

Labor unions can enforce on the success and failure of quality work life programs. Union leaders believe that quality of work life projects is management's tools to improve productivity or to speed up work performance in order to extract more work from workers without corresponding compensation (John, G. and Graham J.1997:316).

2.7. Work System

According to Alter (2002:92) "work system is a system in which human participants and/or machines perform business process using information, technologies, and other resources to produce products and/or services for internal or external customers." Typical business organizations have work systems to obtain materials from suppliers, produce

and deliver end products, find customers, and create financial reports, hire employees, coordinate work across departments, and perform many other functions.

2.7.1. Elements of Work System

Participants: - are people who perform the work. Some may use computers and IT extensively, whereas others may use little or no technology.

Information:-used and created by participants during performing their work. Information may or may not be computerized. Knowledge can be viewed as case of information.

Technologies: - include tools and techniques that work system participants use while doing their work.

Customer: - people, who receive direct benefit from products and services the work system produces, Include external customers who receive the organization's products and/or services and internal customers who are employees or contractors working inside the organization.

Environment:- includes the organizational, cultural, competitive, technical, and regulatory environment within the work system operates. These factors affect system performance even though the system does not rely on them directly in order to operate. The organization's general norms of behavior are part of its culture; whereas more specific behavioral norms and expectations about specific activities would typically be considered part of the business process Alter (2002:92).

Infrastructure: - includes human, informational, and technical resources that the work system relies on even though these resources exist and are managed outside of it and are shared with other work systems.

Strategies: - include the strategies of the work system and of the department(s) and enterprise(s) within which the work system exists. Strategies at the department and enterprise level may help in explaining why the work system operates as it does and whether it is operating properly (Ibid).

According to Graham and Bennet (1998:322) "Employee relation also covers employee participation in management decisions and policies for improving co-operation between management and workers." Strategic management decisions concerning employee relations are necessary in the following areas; recognizing trade unions, methods to be

used for communicating with employees, the basic formula to be applied to the division of the firms profit between the owners of the business representatives are to be involved in management decision- making and whether management is prepared to use external bodies to arbitrate and help resolve disputes (Ibid).

2.8. Why Employees Unionize

Employees usually form or join unions because of the perceived benefits that unionization might provide them. These benefit can be economic social and/or political. Economic benefits can result from a union's ability to negotiate higher wages, better or expanded benefits, greater job or employment security, and improved working hours and conditions. Social benefits can be derived from the affiliation and senses of community that workers share when there are unionized. Their personal issues and needs relation to their jobs and life styles can often be integrated within the union a gender, with corresponding supported gained from co-workers. Unions often sponsor social events for their members and their families as well. It is not surprising that many unions have word brother hood in their name, this attempt to signify the family or community at morpheme the union tries to create for its members (dwlevdi R.S 2004:336).

Political benefits can be gained through the sense of power in members. In negotiation with management over terms and conditions of employment, individual employees are relatively powerless. When employees unionize and speak with one voice they leverage their individual power against management and equalize the balance of power within the organization (dwlevdi R.S 2004:334).

Many people as why people unionize of course this question has no single answers, people join for different reason (dwlevdi R.S 2004:332).

How the people are attracted to unions because they dissatisfied with what Fred Herzberg called hygiene factors.

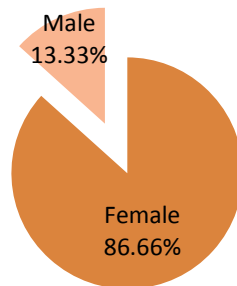
- Pay and benefit
- Supervisions
- Job security

CHAPTER THREE

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

To study the employee management relationship practice of Ethiopian Revenue and Customs Authority, the framework for the analysis is the relevant data obtained from different source, primary data is collected through questionnaires and interviews. A total of 80 questionnaires were distributed to employees of Ethiopian Revenue and Customs Authority 60 of them were filled and returned completely making the response rate 75%.

3.1. General Characteristic of the Respondents



Source: Primary Data

Figure 1: The Percentage of Male and Female Respondents

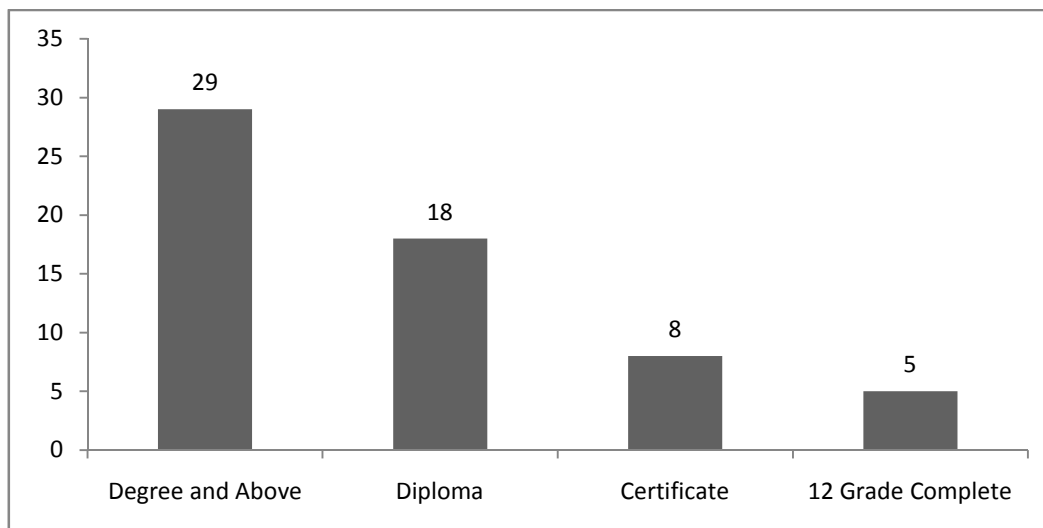
Among the respondents 52(86.66%) are found to be female and the rest 8(13.33%) are males. As it is shown in the figure female employees are dominating the group.

Table 1: The Respondents by Age and Service Year

Age			Service Year		
Category	Frequency	Percent	Category	Frequency	Percent
18-35 yrs	25	41.67%	6 month -2 yr	17	28.33
36-55 yrs	28	46.67%	2-5 yr	13	21.67
Above 55 yrs	7	11.67%	5-10 yr	10	16.67
			Above 10 yr	20	33.33
Total	60	100%		60	100

Source: Primary Data

As shown in table 1, 28(46.67%) of the respondents belong to the age group of 36-55 years old followed by 25(41.67%) of age group 18-35 years old, however 7(11.67%) are above 55 years. As it can be seen from the above table 58.27% of the respondents are the age group of 36 years and above. The majority (50%) of the employees serves in the company 5 years and above. This has a positive impact on getting available information towards a subject under investigation due to the experience that they obtained in their life time career.



Source: Primary Data

Figure 2: Educational Background of Respondents

As it is shown in figure 2 Educational back ground of study participants shows that 29(48.33%) are Degree and above holders 18(30%) Diploma holders, 8(13.33%) have certificate and 5(8.33%) are 12 Grade. This indicates that the company is equipped with well educated persons and also it shows that employees are in a position to easily communicate and understand about employee management relationship which could have constructive impact on the trust worthiness of collected data.

Analysis of Basic Variables

Most organizations make every effort for high employee morale and productivity and low turnover via creating conducive environment for them to work. Conducive environment can be achieved by good employee management relationship. In order to assess this, study participants were asked about the working condition of the Ethiopian Revenue and Customs Authority Branch Office of Nifas Silke Lafto Kifle Ketema.

Table 2: Study Participant’s Response towards Working Condition Of Their Organization

Item	Rate	Frequency	Percent
Working condition of the company	Very comfortable	2	3.33
	Comfortable	22	36.66
	In between	20	33.33
	Uncomfortable	10	16.67
	Very uncomfortable	6	10
	Total	60	100

Source: Primary Data

As it is shown in Table 2, 22(36.66%) respondents are comfortable with the working condition of their company 10(16.67) are very uncomfortable and 6(10%) very comfortable where as 2(3.33%) are very comfortable. But there are respondents 20(33.33%) who are in between for this idea i.e. they are not comfortable or uncomfortable with the working condition and they take the larger share.

Employee management relationship is a process that company's use to effectively manage all interactions with employees in order to achieve organizational goals and objectives. It improves the overall business culture and includes communication, conflict management, and counseling. Discipline, Quality of work life, work system and structure.

Table 3: Criteria of Good Employee Management Relationship Practice

S. No	Item	Frequency	Percent
1	Good communication	53	17.61
2	Well formulated conflict resolution mechanism	50	16.61
3	Work system to undertake the job	50	16.61
4	Quality of work life	45	14.95
5	Formulated discipline structure	55	18.27
6	Good counseling program	48	15.95

Source: Primary Data

Criteria's of good employee management relationship practice were ranked in the above mentioned order in the table by the respondents.

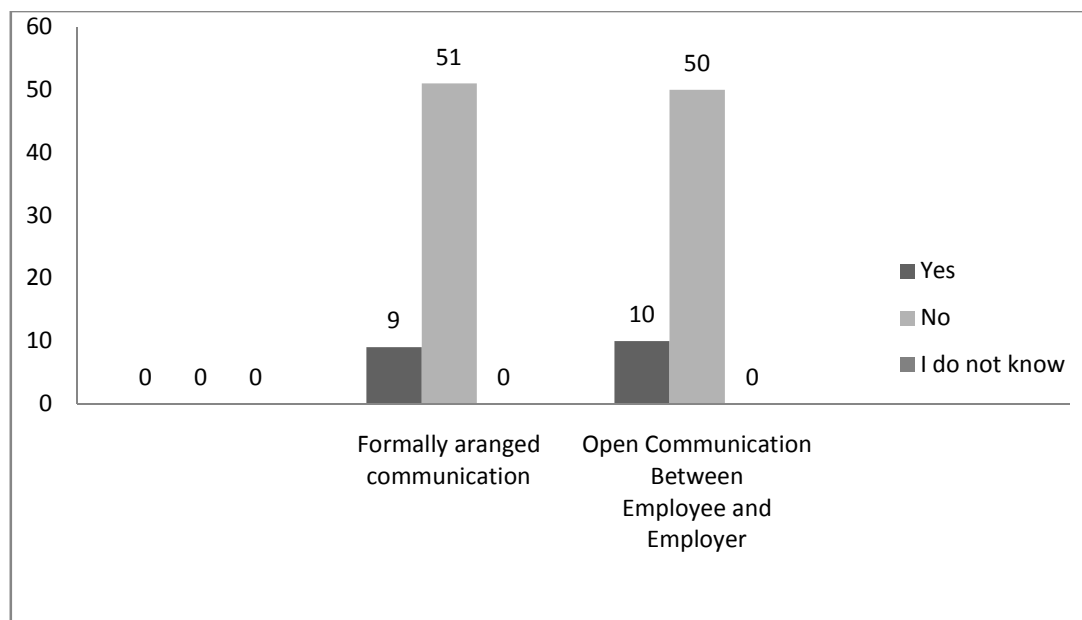
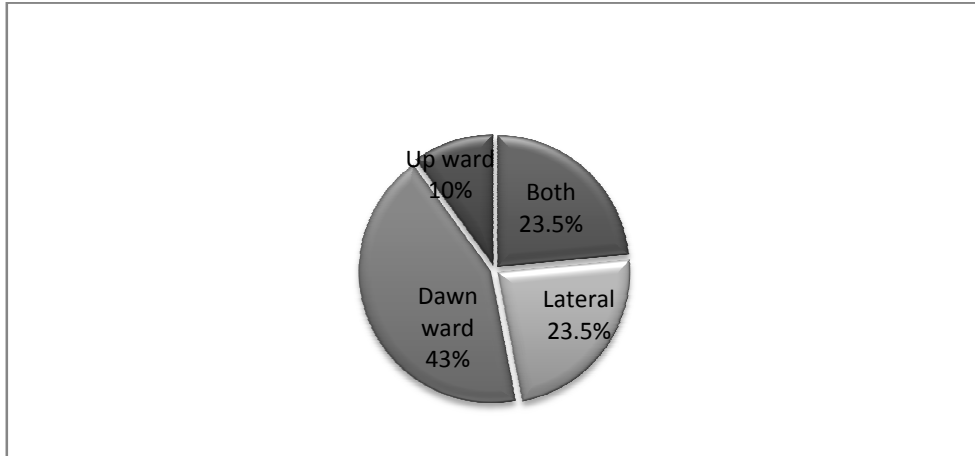


Figure 3: Bar Graph showing Practice of Communication at a Company



Source: Primary Data

Figure 4: Pie Chart Showing Type of Flow of Communication Practice

One of the criteria's of good employee management relationship is communication. This respondents employees were asked whether there is formally arranged communication flow or not, as it is shown in the above figures, 51(85%) of the respondents replied that there is no formally arranged communication flow. On the other hand 9(15%) of the respondents state that there is formally arranged communication flow, Out of these 22(43%) describe the communication has Downward flow, 12(23.5%) lateral flow and 12(23.5%) describe it has Upward, Downward and lateral flows. Also 50(83.3%) respondents state that there is no open communication between them. Form this fact one can deduce that there is formally arranged communication flow between employee and employer of the company.

Theoretically, there should be formally arranged communication flow, since communication is an essential function of management to implement managerial function successfully, and most formal communications are downwards, while informal communications are mostly upwards or lateral. Management communicate polices, plans, information and instructions downwards and employees communicate ideas, suggestions, comments and complaints upwards. The down ward communication is achieved by means of the chain of management. While the upward is by work-group meetings, by joint consultation machinery and by grievance procedures. And also communication should be open.

Respondents were also asked to rank the kind of form of communication practiced in their company; greater part of respondents set that, there is no any form of communication practiced within the organization; others reply open-door, keep- in touch and Employees-engagement are form of communication practiced in there descending order. As the student researcher realized from the data, managers of the organization do not use forms of communication that means managers are not welcoming employees, they do not know their employees very well and they are not participating employees in the day-to-day activity of the organization.

The form which communication takes place greatly affects the attitudes of the employees and the degree to which they understand and support management policies.

To achieve organizational objectives employees and managers should have common understanding about the Vision, Mission, Values and objectives of the organization. Thus in order to make employees responsive of those things they should be communicated. So as to know the appliance of this, respondents were asked.

Table 4: Communication between Employee and Employer

Item	Rate	Frequency	Percentage
1. Managers communicate the vision, mission, values and objectives of the organization with employees.	Very high	3	5%
	High	8	13.33%
	Medium	13	21.67%
	Low	26	43.33%
	Very low	10	16.67%
	Total	60	100%
2. Mangers effort to give attention to employees view and idea to narrow the gap between them and to respond to employees issue.	Very high	-	-
	High	8	13.33%
	Medium	15	25%
	Low	25	41.67%
	Very low	12	20%
	Total	60	100%

Source: Primary Data

As shown in table 4, items No 1, 26 (43.33%) respondents stated that the practice of managers communicate the vision, values and objectives is low and 13(21.67%) stated it is medium. From this fact the student researcher can infer that managers do not communicate the vision, mission, values and objectives of the organization to employees. These may lead to lack of motivation because employees don't feel involved in the company's bigger picture. Sharing broader perception with employees by means of improved communication can help employees see how their valued work helps drive the company's mission and profits.

It includes informing employees about company policies and procedures, explaining new actions taken or decisions made, informing employees of ongoing decision, forewarning employees of forthcoming challenges and asking for their input about ways to improve the work environment so that they do not come as a negative surprise. This promotes a strong team work ethics.

The effort of managers in giving attention to employees View and idea to narrow the gap between them and to respond to their issue was also assessed and respondents rated as 25(41.67%) low, 15(25%) medium and 12(20%) very low as it is shown in item no 2 of Table:4. From this fact one can deduce that the organization does not give sufficient attention to employees view and ideas.

Another criterion of good employee management relationship is the presence of well formulated conflict resolution mechanism within the organization. Organizational conflict is a variation of opinion among the internal members of an organization such as management, employee, principals or board member. It can prevent a mission from moving forward if two parties cannot agree on how to proceed.

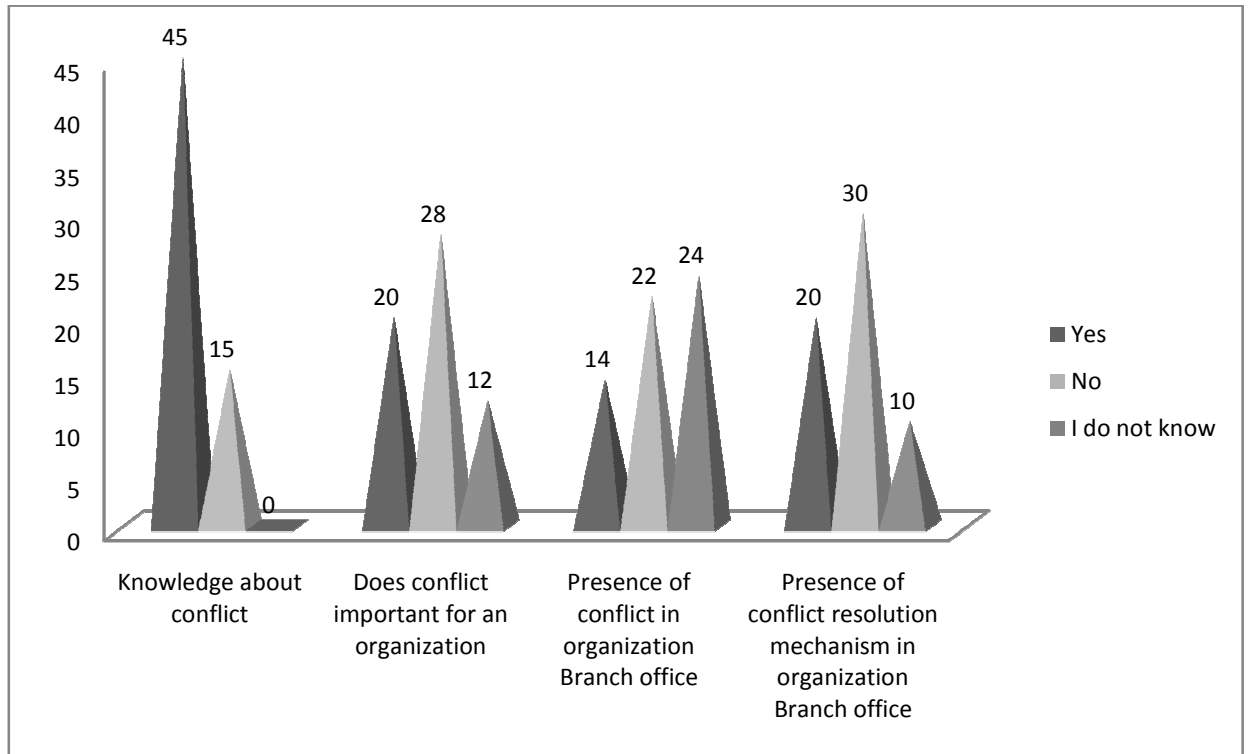


Figure 5: Information about Conflict

As it is shown in figure 5, 45(75%) participants responded that they know about conflict, and they rank the reason of conflict between employee and employer in their organization.

Table 5: Reason of Conflict between Employee and Employer

S. No	Reason	Rank	Frequency	%
1	Miscommunication	1	50	24.3%
2	Unequal employment opportunity	2	46	22.33%
3	Having different belief about job responsibility	3	40	19.42%
4	Unfair compensation paid by employer	4	25	12.14%
5	Organization change	5	20	9.71%
6	Harassment made into another employer	6	15	7.28%
7	Other like lack of respect to employee	7	10	4.85%

As indicated the table 5, From this, the student researcher understands that the main reason of conflict as per organization employees is miss Communication, unequal employment opportunity and having different belief about job responsibility.

Respondents also ranked the consequence of conflict in organization setting as follows.

Table 6: Outcome of Conflict between Employee and Employer

S. No	Outcome	Frequency	Percent
1	Loss of productivity	56	32.37
2	Prevent a project from moving forward	47	27.17
3	Disagreement	40	23.12
4	Obstruction and breakdown, protest and Distraction	18	10.40
5	Strikes	12	6.94

The majority 59.54% of respondents of the study have clearly understood the reason and outcome of conflict in work place. If it is considered and handled well in the setting, it creates conducive environment and motivates employees in order to achieve organizational goals and objectives.

Conflict free, cooperative organizations tend to become inactive and unresponsive to market change. Moreover it is impossible to wipe off conflict completely and conflicts are not altogether bad they have creative element as well. Having these in mind respondents were asked whether they believe that conflict is important for an organization or not. As Respondents stated conflicts are important because of the following reason.

- People may come with new idea to resolve conflict
- Ways to correct conflict give lots of lesson
- Many possible solutions may emerge from different people
- Without conflict no competition and no growth
- It helps to improve quality of work

From this fact, one can deduce that conflict is not important for an organization as per the respondent of the organization stated employees.

As indicated table 6, Respondents were also asked about outcome of conflict between employee and employer in their organization. Accordingly, 56(32.37) of the respondents rated as loss of productivity 27.17% rated as Prevent a project from moving forward, 23.12% rated as disagreement, 10.40% rated as obstruction and breakdown, protest and Distraction. The rest 6.94% rated as strikes.

Unequal employment opportunity and unfair compensation paid, not respecting employee's dignity, communication gap and harassment made into employees.

Respondents stated that the company use's the following conflict resolution mechanisms such as; accommodation, compromise, competition, avoidance and collaboration. According to the information obtained from human resource manager of the of organization and Head of Finance Department of the organization explained the management, tries to solve the problem by making thorough discussion with employees. Theoretically there are a number of conflict management strategies such as; avoidance, accommodation, competition, and so on that the management might use it in order to resolve conflict within the organization.

Well designed Counseling program is also important to strengthen the relationship of employee and employer in an organization. An organization may contain skilled and competent employees but who do not behave the way the manger, wants or employees who really try hard but lack the knowledge or skill needed to perform sufficiently well. All such employees require counseling to influence specific attitudes and behaviors. The reason that managers provide counseling service to their employees is that unhappy, anxious or overstressed employees are not good performers in their job; they may take more time off work for sickness and may even decide to change their job leading to increased turnover. Thus avoiding such uneconomic use of human resource and provision of counseling service to sustain employee performance achieve business target, and

showing commitment to employees is organizational interest. Respondents were asked the presence of counseling program in their organization.

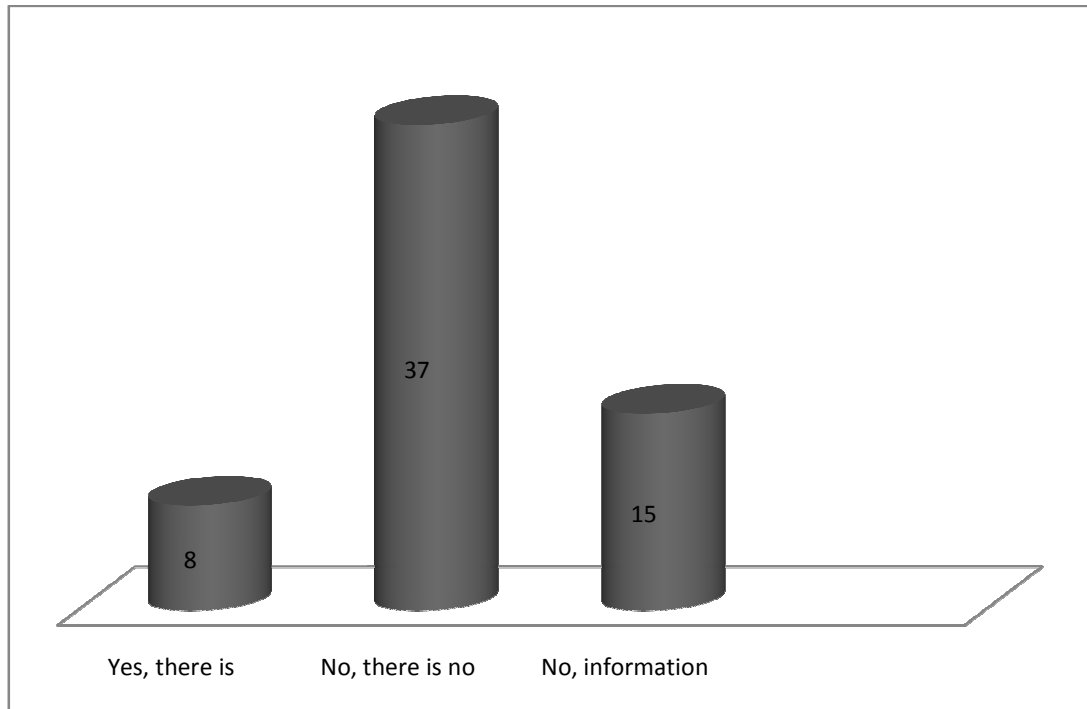


Figure 6: Presence of Counseling Program at the Organization

As it is shown in figure 6, 37(61.67%) of the respondents state that there is no counseling program in the organization and 15(25%) have no information about its presence but 8(13.33%) respondents described that the presence of counseling program.

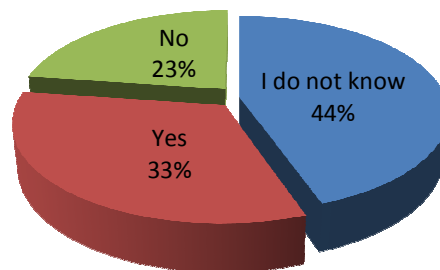
Table 7: Importance of Counseling Program as per Respondents

S. No	outcome	Frequency	%
1	Developing positive change in the employees behavior or performance	25	42%
2	Finding a solution about a problem	17	28%
3	Assisting employees in undergoing excessive work related stress	13	22%
4	Handling disputes	5	8%

Source: Primary Data

According to the Human resource manager of the organization there is no counseling service given to those employees who need the service.

Discipline indicates a mode of conduct and is essential for orderly conduct of any organization and effective utilization of time and energy of workers and the economic use of resources. Disciplined behavior brings harmony and is conducive to the interest of the group. Otherwise things go roughly in the interest of single person affecting employee management relationship.



Source: Primary Data

Figure 7: Pie Chart Showing Presence of Formulated Discipline

Employee respondents were asked about the presence of formulated discipline procedure in their organization; 26(44%) of the respondent replied that they have no any information about the presence of discipline procedure in the office, 14(23%) said no and 20(33%) said yes there is and they state the organization uses Traditional progressive system in order to discipline employees.

Respondents employees also asked list down to the importance of discipline procedure accordingly their responses to stated; to assist employees in changing their behavior, performance or attendance (20) to orderly conduct the organization (18) for effective utilization of time and energy of workers (15) and for economic use of resources (10). They also describe that it is managers responsibility to maintain and infuse these discipline procedure.

Favorableness or unfavorableness (Quality of work life) of a job environment for people of the organization was also assessed. Involving employee at every level of the organization in the decision about their work and work place creates co-operative relationship between employees and managers and also using every employees ability and intelligence into decisions at various levels in the organization brings ultimate benefit to individual employee as well as to the organization through individual development and increasing quality and productivity respectively.

Table 8: Favorableness of a Job Environment the Organization

Yes		No		I do not know	
Frequency	Percent	Frequency	Percent	Frequency	Percent
20	33.33	35	58.33	5	8.33

Source: Primary Data

As it is shown in the above Table 8 above, 35(58.33%) of employees replied that the environment is not favorable. According to them it was due to;

- ❖ Poor working environment i.e. the housekeeping, safety provision and promotion, welfare facilities and occupational health are poor.
- ❖ Lack of Employee motivational activity within the organization; employees performance is not recognized whether they perform good or not rather unfair compensation and unequal job opportunity is experienced, there is not team-spirit among employees and mangers(they lack co-operation), developmental activities that are used to develop knowledge and skill of workers and create positive attitudes and competence of work force are not practiced, managers do not respect the dignity of workers and also they interfere with employees work.

Employees were also asked about the advantage of having quality of work life in their respective organization setting and they put their response in ranking order as the following.

- 1st. To improve the service that the Ethiopian Revenue and Customs Authority Branch office provides. (42)

- 2nd. To retain best workers of the organization. (45)
- 3rd. To attract qualified employees from outside of the organization. (40)
- 4th. To provide quality service and for better organizational development. (30)

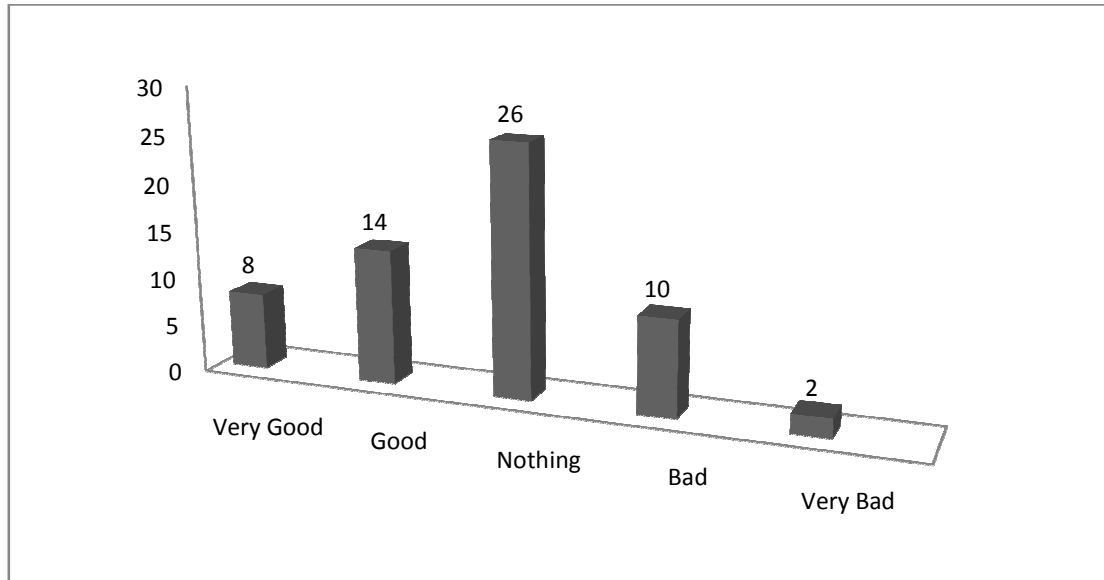


Figure 8: Feeling about the Work System of the Organization

Assessing work system is also important in order to evaluate whether the organization is conducive to work or not. So that employees were asked about and as it is shown in the above figure the majority 26(43.33%) replied that they feel nothing about this followed by 14(23.33%) respondents who feel good about the working system of the organization. Study participants were also asked about the importance of good employee management relationship and their response is summarized as; to create good working condition, to Motivate employees, to increase productivity, to increases customer satisfaction, creates goodwill, to achieve organizational goals and objectives. And also as explained by the Human resource Manager of the organization good employee management relationship is important to increase productivity. Theoretically, strong Employee management relationship is important to preserve a pleasant work environment, prevent conflict and increase company morale, properly handled relationship between employee and employer increases employee satisfaction which is directly related to employee productivity and

employee retention that keep the company's profit margin from dropping and keep staff members happy.

The impact of poor employee management relationship is stated by the respondent are by respondents as the following:

Lowers motivation, creates poor working condition, lowers productivity, dissatisfies customers and employees, organizational goals and objectives will not be achieved and it affects performance.

According to the Finance Department Head of the Ethiopian the organization, the outcomes of poor employee management relationship are; lack of motivation, increased Turn over, indiscipline, lack of responsibility.

The majority of respondents believe that managing employee management relationship is the responsibility of the management of the Organization, however a few (not more than four) respondents say it is the responsibility of human resource manager. And also, none any one of them tries to explain how it is possible to manage employee management relationship. Theoretically, This is the role of the human resource manager to manage this relationship by training and coaching managers and executives to effectively establish and look after the relationship with their employees and to measure and monitor those relationship to determine whether objectives and goals are being achieved or not.

Table 9: Employee Employer Relationship of the Organization

Item	Practice	Frequency	Percent
1. Employee Management Relationship Practice	Very poor	0	0
	Poor	25	41.66
	Fair	20	33.33
	Good	10	16.67
	Very Good	2	3.33
	Other	3	5
	Total	60	100
2. Effort made by managers of the organization in maintaining smooth employee management relationship.	Very high	2	3.33
	High	13	21.66
	Medium	5	8.33
	Low	25	41.66
	Very low	15	25
	Total	60	100
3. Comparison of employee management relationship practice of Ethiopian Revenue and Customs Authority Branch Office with other companies.	Very poor	11	18.33
	Poor	20	33.33
	Fair	17	28.33
	Good	6	10
	Very Good	6	10
	Total	60	100

The relationship between employer and employee of Ethiopian Revenue and Customs Authority were expressed as poor (weak) by 25(41.66%) and fair by 20(33.33%) of respondents as it is shown in item no 1 of the above Table. Also 3(5%) participants respond that “it is difficult to evaluate the relationship because it is not uniform.” According to the data obtained from Human Resource manager of Ethiopian Revenue and Customs Authority the practice of employee management relationship is better. From this, the student researcher can understand that the relationship between employee and management at Ethiopian Revenue and Customs Authority is poor.

Respondents listed out a number of reasons for the existing employee management relationship practice of their office and the student researcher tries to summarize as the following:

- Managers of the Nifas Silke Lafto Kifle Ketema are not responsible for their employees, they are self centered.
- Managers are not welcoming employees. They don't believe on discussion and the line between them.
- They are not motivational, even most of the time compensation is omitted.
- Majority are not capable enough to handle employee management relationship. They are not qualified for the position they hold, they assigned there due to some other reason.
- Most of them are not decision makers by themselves.
- Poor communication.
- Poor quality of work.
- Lack of transparency.

According to the human resource manager of the Nifas Silke Lafto Kifle Ketema the reason of the existing employee management relationship is that employees externalize their problem only, they didn't try to solve minor problems by themselves, and also some managers do not follow the right way to handle employees. The Finance department head also reason out as; all managers are not equally efficient enough to handle the relationship.

Respondents were also asked to rate the effort made by managers of the Ethiopian Revenue and Customs Authority in maintaining smooth employee management relationship, and as it is shown in item no 2 of table 9, 25(41.66%) respond as it is low, 15(25%) very low but only 13(21.66%) and 2(3.33%) respond as it is High and very high respectively. Thus as per employees of Ethiopian Revenue and Customs Authority managers effort to maintain smooth employee management relationship is low.

Possible solutions were suggested by respondents as the following:

- Use of Democratic leadership style

- Assigning the right person for the right position
- Avoiding the gap between managers and employees by changing managers biased attitude towards employees and try to work closely.
- Trying to have good communication
- Motivate hard working employees
- Transparency of work
- Managers need to be responsive to employee's issue.

Providing Developmental Training for both managers and employees is a solution recommended by the finance department head.

As indicated in item 3 of table 9 above, the practice of employee management relationship in the Organization were compared with other offices by the respondents and 20(33.33%) replied it is poor, 17(28.33%) rated as fair.

Interview Conducted with Manager

As stated by Human Resource Manager, more than 80% of managers in the Organization have experience of two years and less in their current position. From this the student researcher can understand that managers of the Ethiopian Revenue and Customs Authority are less experienced in order to handle employee management relationship. Also, educational background of only managers is related with their current positions that include the Human Resource manager, who have Degree in management. Others are assigned based on some other criteria; administrative managers are assigned based on their longer service year on other areas and even other places outside our office as promotion without considering their potential.

The Human resource manager was asked about the quality of other managers of the Ethiopian Revenue & Customs Authority on handling their responsibility; he replied that "Even if a human being is not efficient enough 100% I believe that they are good. "From this, it is possible to conclude that the Ethiopian Revenue and Customs Authority is managed with less qualified personnel.

Majority of managers replied that, the working environment of their Ethiopian Revenue & Customs Authority is not conducive to employees because materials are not fulfilled, developmental trainings are not given for employees and the relationship between employee and employer is blurred; even there is no open communication which is taken as the Ethiopian Revenue and Customs Authority culture.

According to the finance department head of the Ethiopian Revenue and Customs Authority the relationship between employer and employee should be Democratic; manager should be figure for subordinates and should give attention to employee's ideas, issues and comments.

Theoretically, the relationship between employer and employee should be mutually respectful considering the degree of closeness which depends on both the manager and the employee; the relationship should also be one of mutual reliance as it is shown in the literature review.

Based on the information obtained from the Human resource manager of the Ethiopian Revenue and Customs Authority according to most managers; even if there are number of conflict management strategies as it is written in the literature review. Also there is no counseling program for employees.

According to the Human resource manager, Managers were asked about the kind of employee management relationship which is practiced in their office and its factors associated with it, the human resource manager replied it is better without saying anything about the factors. The HRM department head replied the relationship is poor, according to her the major reason is failure to respond to employee's questions particularly if it is associated with compensation, and the other reason is, trainings for managers in areas of employee management relationship that are important to uphold their skill are not given. Vague job description between manager and employee, and interference of some managers on employees work is another reason for the existing employee management relationship of Ethiopian Revenue and Customs Authority.

Lack of motivation, high turnover of employee's poor quality service, customer dissatisfaction, and hindering achievement of organizational goals objectives are some of the listed outcomes of poor employee management relationship by nearly all managers of the Ethiopian Revenue and Customs Authority.

According to the human resource manager factors that affect smooth employee management relationship are lack of transparency and accountability on work. Unskilled managerial, poor working environment, autocratic leadership style, Harassment made into employees and lack of common understanding about the vision, mission, objectives and goals of the organization are additional factors described by most managers.

The human resource manager accept as true that there was a problem associated with employee management relationship with in the Ethiopian Revenue and Customs Authority but now it has been improved.

Generally, what is perceived from the analysis is that the actual practice of employee management relationship of Ethiopian Revenue and Customs Authority deviates from what is stated in the literature of related review.

CHAPTER FOUR

SUMMARY OF THE MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

The focus of this research paper was assessment of Employee management relationship practice of Ethiopian Revenue and Customs Authority Nifas Silke Lafto Kifle Ketema. Particularly, the kind of Employee management relationship which is practiced in the Ethiopian Revenue & Customs Authority Nifas Silke Lafto Kifle Ketema, factors associated with the existing employee management relationship practice, the attitudes of employees towards employee management relationship practiced in the ERCA Nifas Silke Lafto Kifle Ketema and assessing the way the management is trying to solve the problem in relation to employee management relationship. As stated in the statement of the problem good employee management relationship enhance performance of employees that lead to achievement of organizational goals and objectives.

To answer the research questions data was collected using questionnaires distributed to selected employees of Ethiopian Revenue and Customs Authority Nifas Silke Lafto Kifle Ketema and interview conducted with managers of the Ethiopian Revenue and Customs Authority Nifas Silke Lafto Kifle Ketema who are working at different departments including the Human resource Manager.

4.1. Summary of the Major Findings

The major findings obtained in the study would be summarized as follows:

- ✓ 36.66% respondents are comfortable with the working condition of the Organization, even if 33.33% are in between for this idea i.e. they are not comfortable or uncomfortable with the working condition.
- ✓ 51(85% of study respondents indicated that there is no formally arranged communication flow
- ✓ The majority 50(83.3%) of study participants confirmed that there is no open communication between employees and employer of Ethiopian Revenue & Customs Authority.

- ✓ Greater part of respondents set that, there is formal way of communication practiced with in the Ethiopian Revenue & Customs Authority.
- ✓ Vision, Mission, Values and objectives of the organization are not communicated to employees. These may lead to lack of motivation because employees don't feel involved in the company's bigger picture. This is confirmed by 26(43.33%) respondents.
- ✓ The majority 30(50%) of study participants confirmed absence of conflict resolution mechanism within the Ethiopian Revenue & Customs Authority.
- ✓ Half of respondent's i.e. (61.67%) state that there is no counseling program for employees in the Ethiopian Revenue & Customs Authority.
- ✓ There is no formulated discipline procedure in the Ethiopian Revenue and Customs Authority;
- ✓ The majority (58.33%) of study participants feel that the environment is not favorable. It is due to poor working environment i.e. the housekeeping, safety provision and promotion, welfare facilities and occupational health are poor, lack of Employee motivational activity within the Ethiopian Revenue & Customs Authority.
- ✓ Almost (42%) of respondents confirmed that the relationship between employer and employee of Ethiopian Revenue and Customs Authority is poor.
- ✓ (41.7%) manager's effort to maintain smooth employee management relationship is low.

4.2. Conclusions

Based on the above findings the following conclusion is drawn and certain recommendations made, that may help in providing the employee management relationship practice in Ethiopian Revenue and Customs Authority. The conclusion may put a guideline in all features and efforts to improve employee management relationship of the Organization.

- ✓ There is poor relationship between employee and employer of the Company. Theoretically, relationship is an essential function of management to implement managerial functions successfully. Moreover to achieve organizational objectives

employees and managers should have common understanding about the Vision, Mission, Values and objectives of the organization which is effected by having good relationship.

- ✓ There is no conflict resolution mechanism within the Organization even if, there is conflict as a result of Unequal employment opportunity and unfair compensation paid to employees, Not respecting employees dignity, relationship gap and Harassment made into employees.
- ✓ At theoretical level, counseling program is important to strengthen the relationship of employee and employer in an organization. It helps to avoid uneconomic use of human resource that could result from unhappy, anxious or overstressed employees who are not good performers in their job, and also showing commitment to employees is organizational interest.
- ✓ The quality of work life of the Company is not favorable. It is due to poor working environment and Lack of employee motivational activity.
- ✓ To say there is good employee management relationship; the two parties should feel close to each other, should have report with each other, interact and communicate well, be sympathetic to each other and are responsive in addition to the above mentioned factors. If an employee is working in an environment where such facilities are not meet and there is a lot of negativity between management and employees that will lead to lack of motivation resulting poor performance leading to difficulty in achieving organizational goals and objectives.
- ✓ The relationship between employer and employee of the Organization is poor due to autocratic leadership style, lack of responsibility of managers for employees, poor communication, and absence of motivation, presence of unprofessional (incompetent) managers, poor quality of work and Lack of transparency are factors associated with the current employee management relationship of the Organization.
- ✓ Managers of the Organization put together little effort in order to make the relationship smooth.
- ✓ Even if major proportions of respondents are comfortable with the working condition of the Ethiopian Revenue and Customs Authority, it is not satisfactory

to conclude that their attitude is positive towards the employee management relationship.

4.3. Recommendations

By and large, in order to make employee management relationship of the Organization strong the organization must consider the following recommendations.

- ✓ The Ethiopian Revenue and Customs Authority should develop good communication between employees and managers i.e. there should be well formulated communication flow, the communication should be open and forms of communication should be applied.
- ✓ Make use of conflict resolution mechanisms particularly Collaboration in which both parties involved in a conflict work together to develop a solution that meets everyone needs.
- ✓ Adjust counseling program for employees who are in need of it in order to maintain a certain level of performance or to strengthen certain behavior.
- ✓ Formulate discipline procedure in order to keep employees under discipline and to assist employees in changing their behavior, performance or attendance.
- ✓ And make the quality of work life favorable for Ethiopian Revenue & Customs Authority society.
- ✓ Conflict should be resolved using conflict management strategies such as; Accommodation, compromise, competition, Avoidance and collaboration. Otherwise it can prevent the organization mission from moving forward.

Doing this help to properly handle relationship between employee and manager, this increases employee satisfaction which is directly related to employee productivity and achievement of organizational goals and objectives.

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St. Mary`s University
Facility of Business
Department of Management

This questionnaire is prepared by perspective degree graduates of St. Mary`s University management student. Its objective to assessment of employee management relationship practices at (ERCA) Branch Office of Nifas Silk Lafto Kifele Ketema Administrative.

Your response would play a great role for the success of the study and the researcher will responsible for the confidentiality of your response. The researcher use your response, only for research purpose, so your correct and genuine have great value, you are kindly requested to respond freely.

I. Demographic Data

Service year in the organization

Below 6 month 6 month to 2 year 2-5 year
5-10 year above 10 year

II. Employee management relation

1. To what extent are you comfortable with the working condition of your organization?

1. Very comfortable 2. Comfortable 3. In different
4. Uncomfortable 5. Very comfortable

2. How do you rate the effort made by managers of to maintain the smooth management employee relationship the organization?

1. Very high 2. High 3. Medium 4. Low 5. Very low
3. Does the organization tell rules & regulation to employees?
1. Yes 2. No
4. How do you rate your relationship with leaders in communicating the Value, mission, vision and objectives of the ERCA?
1. Very high 2. High 3. Medium 4. Low 5. Very low
5. Does the manager play the role of judge for reconciling (resolving) two disagreed conflicting parties?
1. Agree 2. Disagree 3. Moderately agree
4. Strongly disagree 5. Neutral disagree
6. Do you think that there is open communication b/n you and your employer?
1. Yes 2. No 3. I don't know
7. What kind of work relationship do you have with your immediate boss?
1. Very good 2. Good Neutral 3. Bad 4. Very bad
8. Is there any formulated discipline procedure in your company?
1. Yes 2. No 3. I don't know
9. Does disagreement (conflict) with employees of the organization exist?
1. Always 2. Sometimes 3. usually
4. Often 5. Does not exist
10. Most of the time conflict arises
1. Between management and employees
2. Among different department
3. Among employee
4. Within people who works in management section
5. Other specify -----
11. Do you think that conflict is important for an organization & do you know about conflict?
1. Yes 2. No 3. I don't know

12. If your answer for the above questions is yes what do you think the reason of conflict between employer and employee in your organization (you can select more than one answer and please put it in ranking order)
1. Un equal employment opportunity
 2. Harassment made into another employee
 3. Unfair compensation paid by employer
 4. Miss communication
 5. Organizational change
 6. Having different belief about job responsibility
 7. Other specify _____
13. What do you think the criteria's of good employee management relationship?
(You can select more than one answer and please put it in ranking order)
1. Good communication
 2. Formulated discipline structure
 3. Work system to undertake the job
 4. Good counseling program
 5. Quality of work life
 6. Well formulated conflict resolution mechanism
 7. Other specify _____
14. Is there any formally arranged communication flow within your organization?
1. Yes
 2. No
 3. I don't know
15. If your answer for the above question is yes, what kind of communication is it?(you can select more than one answer)
1. Upward
 2. Down ward
 3. Lateral
 4. other (specify)
16. How do you rate managers in giving attention to employee's view and narrow the gap with themselves?
1. Very high
 2. High
 3. Medium
 4. Low
 5. Very low
17. Is there any formally arranged communication flow within your organization?
1. Yes
 2. No
 3. I don't know
18. If your answer for the above question is yes, what kind o communication is it?
(You can select more than one answer)?
1. Upward
 2. Down ward
 3. Lateral
 4. other (specify)

19. Do you have anything to add?

Appendices