EFFECTS OF GLOBALISATION ON EMPLOYMENT RELATIONS WITHIN THE FILM INDUSTRY IN SOUTH AFRICA

Zanele L. MPABANGA 1, Wilfred Isioma UKPERE2, Xavier KNIGHT3

1,2,3Department of Industrial Psychology and People Management, College of Business & Economics, University of Johannesburg, Auckland Park Kingsway Campus, Corner Kingsway & University Road, PO Box 524, Auckland Park, 2006, South Africa
Tel: +27115592069, Email: zmpabanga@gmail.com, wiukpere@uj.ac.za, xavierk@uj.ac.za


Abstract

Globalisation has been perceived as the integration and spread of information, processes and technology across organisations and nations. It has accelerated transformation and change in organisations, with the effect of strengthening or, as the case may be, weakening employment relations within organisations. Globalisation has been characterised by a rise in the use of casual employees, decentralisation and continuous advancement in technology, which ultimately affects employment relations. Therefore, this paper sets to explore the effects of globalisation on employment relations in South Africa’s film industry. The current investigation adopted a qualitative research approach, which was carried out in an organisation within the film industry in the city of Johannesburg, South Africa. Purposive sampling was used to collect data from ten employees at various levels in the organisation. Data was obtained by means of semi-structured face-to-face interviews with the research participants. The findings revealed that the effects of
globalisation are twofold, as it has both positive and negative effects on organisations. From a positive perspective, it was found that globalisation has helped to promote inclusive workplaces, effectively manage tensions and conflict in the workplace, and improve communication between parties in the employment relationship. Furthermore, it was discovered that interactions between management and employees have increased since globalisation. Conversely, the current findings uncovered that there are increasing tensions in the employment relationship. There is also evidence of less training to workers in the film industry. The findings further revealed that using casual employees in the film industry has increased, and many of them are confronted with several challenges, as they do not get the same benefits that their counterparts in permanent employment receive. Hence, generally, this paper’s outcome could be used in organisations to address some of the negative effects of globalisation in respect of relationships in the workplace, particularly in the film industry.

Keywords: Globalisation, employment relations, casualisation, conflict, decentralisation.

JEL Classification: J01, J53, J81

Introduction

Human resources divisions in organisations are transforming, as contemporary businesses face complex challenges and prospects. Currently, this transformation occurs owing to factors such as globalisation as a result of rapid changes within businesses (Kapoor, 2011). Due to its emphasis on diversity management, globalisation also has a profound impact on how organisations deal with their employees. Globalisation is vital for employment relations ethics, as it influences how management treats its employees (Cambridge, 2001). Workers in the film industry are more often than not independent contractors rather than permanent employees. Since the dawn of globalisation, organisations in the film industry have increasingly made use of casual employees. Hence, due to globalisation, employment relations to some extent seem to have been strained.

Employees are amongst any organisation’s most essential and valuable assets (Sequeira & Dhriti, 2015). Employment relations involves handling remuneration, dealing with employment practices, employment contracts, empowering employees, and communicating with employees (Sequeira & Dhriti, 2015). All these different aspects of employment relations contribute to building a good
employment relationship. However, the film sector has an ongoing history of insecure jobs, which is characterised by unclear contracts and the questionable employment status of its workforce (Myers, Van Liemt, Bibby, & Servoz, 2014). This tends to harm employment relationships, as there are blurred and indefinite employment relationships in the industry. Most workers in the film industry have long and irregular hours, as well as low and variable pay. Several film industry workers have temporary contracts, leading to low job security (Myers et al., 2014).

To effectively equip organisations for a growing global organisational setting, managers need to comprehend the effects of globalisation on employment relations. This helps them to cope with the effects of globalisation, as they are fully aware of its implications such as workplace conflict and diversity. This article explores the effects of globalisation on employment relations in the South African film industry.

**Problem Statement**

The dawn of globalisation has witnessed increases in global competition, job reallocation, and outsourcing, as well as new forms of employment such as the use of casual labour in organisations. This has adversely affected employment relations, as the use of more temporary workers prevents employees from enjoying the same benefits as permanent workers. Employment relations have been further strained because employees feel that organisations are not meeting their needs, while the increased use of machinery to replace manual labour as means to remain competitive, has added to employees’ job insecurities. There has been extensive research on the impact of globalisation on employment relations in other industries, but none has been conducted on the effects of globalisation on employment relations in South Africa’s film industry. The above problem statement prompted the article’s research question, which is outlined below:

**Research Question**

- What are the effects of globalisation on employment relations within South Africa’s film industry?

**Research Objectives**

- To explore the effects of globalisation on employment relations in South Africa’s film industry.

**Literature Review**

Globalisation in the film industry
Competition in the film business has intensified under globalisation (Rosnan & Aziz, 2012). The film industry, much like other industries in this era of globalisation, is a global industry and is internationally driven (Tuomi, 2006). It is vital for management and employees to understand the concepts and ideologies around globalisation, as they may affect the employment relationship. The film industry rests on complex and informal employer-employee social relations, where the two parties’ previous interactions have built trust for future projects together (Lorenzen, 2008). Therefore, some temporary employees may not be re-hired owing to this factor, which may cause conflict as they would consider the re-hiring process to be unfair, and difficult to by-pass. Quite a number of employees in the film industry have shifted from being broadcasters to working as freelancers or independent producers (Liang & Sendanyoye, 2014). According to Gertjan (2017), stagnant pay, overtime, and job insecurity owing to globalisation are a few critical labour issues at stake in the film industry. Employment-related issues have risen in the film industry owing to globalisation.

**Employment relations in the film industry**

The film industry has experienced major changes in the past twenty years, characterised by changes in the labour market, and in work organisations both within employment relationships and through commercial contracts (Liang & Sendanyoye, 2014). Employment relations may differ in different industries owing to different externalities, for example, employment relations, where a “standard employment contract” in the finance industry is likely to be different to that of a “casual employment contract”, which is common in the film industry. All employment rights apply to permanent employees, while freelancers only have limited employment rights (Korotayev & Grinin, 2013). Tension in the film industry has risen owing to this fact, as most employees in this industry are freelancers and independent contractors.

Globalisation enhances competitiveness at organisational level, resulting in management adopting strategies to increase effectiveness, productivity, quality, and innovation (Spooner & Haidar, 2005). Globalisation has influenced technology and vice-versa (Ukpere, 2009). The film industry is in a state of flux and subject to ever-changing technology. Moreover, in the globalisation era, the film industry acts as a significant means through which technology is transferred, enhancing the skills base of employees in South Africa (Tuomi, 2006). With innovation being on the rise, and vital for organisations’ competitiveness, there is a possibility of the use of robotics replacing human beings in the future, and this has resulted in increased
insecurity. This may make it difficult for management to build trust in the organisation, hence negatively impacting employment relations.

**Globalisation and trade unions**

Globalisation is not only a significant pattern, which develops the integration of markets and the movement of resources, but it also encompasses intense competition between management and trade unions (Lee & Kang, 2012). Labour unions consider job security to be a priority (Lee & Kang, 2012). Involving trade unions in the development of an organisation's human resource management policies helps to create harmonious employment relations (Olungo, 2017). However, organisations now approach employees directly as individuals or in groups rather than via their representatives (Sarkar, 2011). Currently, there has been less use of trade unions in the film industry, because labour law now covers what trade unions did conventionally; hence, there is a possible threat of decline in the use of trade unions (Lee & Kang, 2012). This may increase burdens for employees whom trade unions supported previously (Olungo, 2017). This is because they no longer have trade unions to support them, or to act as a third party in the employer-employee relationship.

**Labour market developments since the dawn of globalisation**

Over the past years, labour market developments have increased owing to globalisation. Ali (2005) mentions that globalisation has also contributed to weaker labour movements, increased casual labour, and unemployment. Consequently, labour markets are susceptible to unfair labour practices, discrimination, and exploitation (Shah, 2005). Today, as an effect of globalisation, and the employer’s pursuit for flexibility, non-standard work arrangements have emerged. The continuous shift of employment in labour means that the composition of the workforce is increasingly becoming diverse and dispersed (Pulignano, Kohler, and Stewart, 2016). In the film industry, there is growth of non-standard employment patterns in the form of casualisation, externalisation, and informalisation of work. Casualisation divides employees into permanent and non-permanent employees. Temporary employees are usually poorly remunerated (Hudson, 2014), and have minimal to no training and development opportunities.

**Autonomy in organisations**

Globalisation has enabled autonomy and high-level involvement on the part of employees in organisations. The degree of autonomy granted to the employee is crucial in employment relations (Edwards, 2009). Employers use employment
relations in ways that enable employees to be content with being part of the organisation (Abbott, 2006). Bingham (2016) indicates that employees like to be entrusted to do their work without supervision, although at the same time they do not want to feel abandoned. Organisations, therefore, need to decentralise decision-making to their employees to a certain extent. Linked to employee interests is the extent to which employees have a degree of autonomy in the way in which they work. Abbott (2006) states that employers aim to reduce internal tensions by satisfying employees through involving them in the organisation’s activities and decision-making.

**Gender stereotypes**

The differences between men and women have enabled the increase of gender stereotypes among individuals. “Gender stereotypes are beliefs about attributes associated with women and men that reveal gender discrimination” (Castillo-Mayén & Montes-Berges, 2014 p1044). Visser (2014), states that the film industry leads to new forms of marginalisation, thereby increasing existing inequalities and exclusion. Men and women are usually shown performing different activities, while fewer women compared to men are represented in media coverage. Women are typically associated with gentle and creative actions, while men are more often portrayed as fighters (Kolářová, 2004). Thus, the film industry is characterised by a stereotypical distribution of roles.

**Challenges to harmonious employment relations in the South African film industry since the advent of globalisation**

As mentioned earlier, the film industry has conventionally been characterised by long hours and casual employees as opposed to formal employees (Tuomi, 2006). Hence, some employers are becoming concerned about the shortcomings of casual employment in the film industry, including the lack of commitment to the production company, lack of skills, and other burdens associated with casualisation of the workforce (Lansbury, 2000; Lekara, 2019). It is not easy to resolve disputes, as most employees in this industry fall outside of the scope of collective representation. Employees in the film industry continuously desire better working conditions. This has constantly given rise to disputes in the employment relationship, as some employees in this industry feel exploited. Additionally, training is a major weakness in the industry owing to a lack of standards and communication between the industry and the training institutions (Cultural Strategy Group, 1998). Breakey (2018) also insists that the lack of training prospects, as
well as learning opportunities in the South African film industry, are major challenges. The lack of training opportunities results in employees feeling insecure, as they do not experience a sense of belonging and do not perceive that their companies value them.

**Research Methodology**

This article used a qualitative research approach to best answer the research question. The research was conducted at a privately-owned entity within the film industry, which is situated in the vicinity of the north-western part of Johannesburg. Ten employees from various levels of employment in the organisation were selected using the purposive random sampling technique. Levels of employment for the sample included top level management, middle management, junior management, and operational management. In-depth, face-to-face, semi-structured interviews were utilised. For accurate data reporting and analysis, interview transcripts were repeatedly reviewed to identify common themes and similarities from the participants’ responses.

**Findings**

**Research Participants**

<table>
<thead>
<tr>
<th>Research Participant</th>
<th>Sex</th>
<th>Age</th>
<th>Org Management Level</th>
<th>Tenure</th>
<th>Highest Level Of Education</th>
<th>Union Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>REP1</td>
<td>F</td>
<td>60</td>
<td>Top Level</td>
<td>14</td>
<td>Diploma</td>
<td>No</td>
</tr>
<tr>
<td>REP2</td>
<td>M</td>
<td>43</td>
<td>Junior Level</td>
<td>15</td>
<td>Grade 10</td>
<td>No</td>
</tr>
<tr>
<td>REP3</td>
<td>M</td>
<td>41</td>
<td>Middle Level</td>
<td>Undisclosed</td>
<td>Degree</td>
<td>No</td>
</tr>
<tr>
<td>REP4</td>
<td>F</td>
<td>33</td>
<td>Middle Level</td>
<td>11</td>
<td>Matric</td>
<td>No</td>
</tr>
<tr>
<td>REP5</td>
<td>M</td>
<td>33</td>
<td>Actor</td>
<td>4</td>
<td>Matric</td>
<td>No</td>
</tr>
<tr>
<td>REP6</td>
<td>M</td>
<td>53</td>
<td>Top Level</td>
<td>9</td>
<td>Degree</td>
<td>No</td>
</tr>
<tr>
<td>REP7</td>
<td>F</td>
<td>20</td>
<td>Actress</td>
<td>4</td>
<td>Matric/Currently studying towards degree</td>
<td>No</td>
</tr>
<tr>
<td>REP8</td>
<td>F</td>
<td>34</td>
<td>Top Level</td>
<td>7</td>
<td>Diploma/Currently studying towards degree</td>
<td>No</td>
</tr>
<tr>
<td>REP9</td>
<td>F</td>
<td>40</td>
<td>Non-Managerial</td>
<td>8</td>
<td>Diploma</td>
<td>No</td>
</tr>
</tbody>
</table>
Pseudonyms were used to protect the identities of the research participants. Several of the research participants have worked in the film industry for 7 years or longer. A total of 60% of the participants hold a tertiary education qualification in this field and 20% are currently studying. However, most of the participants have acquired vast experience at the organisation, as they have worked there for a long period, with only one participant being younger than 30 years. This indicated that most participants had an in-depth understanding of how operations and structures in the organisation have changed since globalisation. However, none of the participants in the organisation belong to a union.

Field notes were taken during the interviews, whilst recognising and noting gestures. An interview guide was also utilised to assure that the interviews did not deviate from the study’s objective. Once the interviews were completed, the notes that had been taken and the interview content were compared to the posed questions.

Data presentation and discussion of findings

The study focused on establishing the effects of globalisation on employment relations within South Africa’s film industry. The participants’ responses are summarised in the following table.

Table 2 Summary of participants’ perceived effects of globalisation on employment relations

<table>
<thead>
<tr>
<th>Representative</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rep1</td>
<td>Channel of communication, competition, working hours</td>
</tr>
<tr>
<td>Rep2</td>
<td>Working hours</td>
</tr>
<tr>
<td>Rep3</td>
<td>Technology and systems</td>
</tr>
<tr>
<td>Rep4</td>
<td>Technology, working hours, contracts</td>
</tr>
<tr>
<td>Rep5</td>
<td>Competition, trends, use of short-term contracts</td>
</tr>
<tr>
<td>Rep6</td>
<td>Process of globalisation changing the world, technology, diversity and increased racism, which managers fail to manage</td>
</tr>
<tr>
<td>Rep7</td>
<td>Diversity, technology, type of contracts</td>
</tr>
<tr>
<td>Rep8</td>
<td>Management systems, competition, innovation</td>
</tr>
<tr>
<td>Rep9</td>
<td>Equality especially between genders</td>
</tr>
<tr>
<td>Rep10</td>
<td>Ever changing technology and lack of skills training</td>
</tr>
</tbody>
</table>
Findings revealed that most of the research participants shared similar views in terms of the effects of globalisation on employment relations in their organisation, which is in the South African film industry.

**Establishing the effects of globalisation on employment relations in South Africa’s film industry**

The effects of globalisation on labour markets are concepts, which affect employment relations directly. The article revealed that globalisation is not merely a new concept but has been part of human life for decades and, therefore, its effects on employment relations in any industry cannot be denied. Such effects uncovered by this article include increased use of casual employments which often causes tensions in the employment relationship. However, only about 20% of the research participants felt strongly about the tension and conflicts that arose owing to globalisation, as some understood that tension is an unavoidable aspect within the industry.

In this vein, Rep1 stated: “We terminate contracts and do not renew the contracts, though some employees understand that this is the nature of the industry other(s) don’t understand...” Similarly, Rep5 indicated that “disagreements between employers and employees are quite often.”

There has been a shift in the labour market leading to an emergence of non-traditional employment patterns instead of the traditional permanent full-time work pattern, as the concept of jobs for life has gone forever. The new patterns of employment include casual labour, freelancing, part-time work, informal work, and outsourcing. These forms of employment emerged and accelerated since the dawn of globalisation. This, however, triggered an inherent conflict between employees and employers, as employees normally seek stability and assurance in terms of job security. The findings also revealed that none of the participants belong to any union; hence, conflict resolution in the workplace may not be as easy in the film industry compared to other industries. For most producers, non-unionisation is the only way to go because the schedules, working conditions, and overtime in the film industry varies vastly from other industries. Thus, according to Gruber (2018), union activity in the film industry is relatively limited.

As noted in this study, conflict is inevitable in any industry, and the film industry is no exception because of its nature of utilising casual employment and long working hours. However, findings also found that globalisation has not
merely brought tensions to the employment relationship but has also contributed to improving the employment relationship. Aligning with the above perspective, Rep6 stated that the employment relationship had improved compared to 15 years ago. Rep8 highlighted the need for decentralisation and remarked that “employees nowadays need a more decentralised management style versus a centralised one and in addition we need to be innovative so that we stay competitive.”

Rep9 is of the view that globalisation has improved employment relations in specific areas such as gender equity. He said the following in this respect: “I think it has improved the employment relationship through fairness and gender equality because nowadays compared to maybe 15 years ago, I make outfits for women who play roles that only men played back then.” (Rep9). Of note from the article’s findings is the fact that globalisation has played a big role in eliminating stereotypes in the film industry, as different cultures and beliefs are given a worldwide acceptance.

**Existence of trade unions in the film industry in South Africa**

Employees in the film industry are now more aware of their right to join unions in order to benefit from collective bargaining. However, it was observed that in spite of the fact that most of them are aware of the option to utilise trade unions, they rely on their own relations with their employers instead. The findings revealed that 70% of the research participants mentioned that they were aware that they are allowed to join and participate in union activities, while 30% of the research participants indicated that they were unaware of this, and all the participants said that they did not use unions. In fact, the use of trade unions in the film industry seems to have declined over the years since globalisation.

**Key globalisation dynamics that affect employment relations in the film industry**

In summary, the article findings point to technology, diversity, labour standards, contract types, communication channels, and management styles as key globalisation dynamics that affect ER. It was also discovered that globalisation has brought about an improvement in communication, team relations, and workplace morale, as teams become more accessible to each other. Of interest is the role of globalisation on diversity in the film industry, where organisations comprise people from different nations, cultures, genders, and generations. Although findings revealed that there are still challenges that relate to racism and discrimination in the
film industry, it is also worth noting that there have been visible attempts to eradicate stereotypes as a way of bridging these gaps.

Globalisation has led to changes in labour standards, bringing about casual, informal, and short-term contracts, which have become a source of tension, as mentioned previously. The upside of these contracts, however, is that they allow employees to hold more than one contract or one job, which enables them to develop in many aspects of the industry. In support of this, Rep7 remarked: “I think it is diversity and technology, and also because of the short-term contracts in different projects done and I also get income from different projects simultaneously.” Also, in concordance with the above statement, Rep5 averred: “I have been able to work on various jobs, including post production on different contracts from acting and this has improved my employment relationships because I work closely with management sometimes.”

Owing to competition, companies also need to introduce sustainable strategies and to remain competitive; for example, they should provide training for their employees. In terms of constant training owing to competitiveness, Rep3 noted: “Due to technology and ever-changing systems, I need to continuously train and develop myself.” The research findings indicate that technological innovation has been one of the most influential dynamics of globalisation that has affected employment relations. Technology has introduced a need for constant training and development to ensure that employees are competitive and relevant, which leads to continuous improvement in the quality of productions. This aspect of globalisation, however, also eliminates the need for unskilled and older employees, which could have a ripple effect on employment relations.

There is a need to escalate employee training in the film industry, as previous studies and current findings show that there is a lack of training in this particular sector. In addition, Rep10 observed: “In my case I think the ever-changing technology and lack of training affects employment relationships in the company.” This opinion supports the position of Breakey (2018), who insists that the lack of training prospects, as well as learning opportunities in the South African film industry, are major challenges in the industry. A lack of training is a major weakness in the industry.

Hence, the current findings indicate that technological innovations, changes in working hours, stiff competition, new forms of contracts, rapid training, and high-level communication are key globalisation dynamics that have affected employment relations in South Africa’s film industry. Organisations in the film
industry, therefore, need to focus more on those positive elements of globalisation that could improve employment relations.

**Limitations of the study**

One of the innate limitations of the study is that it was restricted to a single organisation in the South African film industry, situated in Johannesburg and did not consider other organisations in the film industry in other provinces. Hence, the findings cannot be generalised to all organisations within the film industry in South Africa. Being a qualitative enquiry, the study was not inclusive of all employees, as only ten employees were interviewed during the data collection process. Hence, not all employees’ views were considered. As mentioned earlier, this study was a qualitative study, which undertook an in-depth analysis of the perceptions of a few research participants of the phenomenon under study. Therefore, the bias of these few participants may also have affected the study’s outcome. Another limitation of this study was the effects of the COVID-19 pandemic outbreak under which this study was conducted. Hence, some of the interviews were conducted telephonically, while others were done via video conferencing. These approaches, to a great extent, limited the full observation of respondents’ expressions and nonverbal cues.

**Recommendations**

Recommendations are significant to assist organisations within the film industry during the era of globalisation. Therefore, in order to improve employment relations, the recommendations presented below are worth pondering.

**A need for strategies that foster an inclusive workplace**

An inclusive workplace is beneficial for everyone in it. Hence, for increased productivity, satisfaction, and morale, employers need to strive to establish an inclusive workplace. This can be done by using a decentralised management approach, which will ultimately increase levels of employee engagement and innovativeness within organisations, as everyone’s ideas are considered. In addition, all parties in the employment relationship are most likely to be satisfied in an all-inclusive workplace. Hence, enhancing harmonious employment relations is imperative. Moreover, managers need to be trained on how to effectively manage diversity.

**A need to improve communication channels**
Evidently, conflict in the film industry is inevitable. Management within the film industry should institute ways to deal effectively with conflicts in their workplaces. This may be done by introducing anonymous suggestion boxes, having open and honest discussions with employees, and by using unbiased conflict resolution platforms, where procedures are followed to hear the concerns of all parties in the conflict before judgement is passed.

**Efforts should be made to improve working conditions**

All employees, both permanent and casual, should feel safe and secure within their workplaces. Casual workers need some form of protection and statutes that provide some form of relief for them, including receiving certain benefits that are afforded to permanent employees. Therefore, employers in the film industry should provide benefits and secure jobs for employees, regardless of the type of contract that they have. In other words, human resource management policies that support the need for job security for casual employees may also need to be developed and implemented.

**Fair and equitable treatment of all employees**

It is important for managers to be aware of what employees consider to be fair treatment in order for them to be able to create a workplace that is fair and equitable. All employees should be treated fairly to avoid perceptions of inequality and discrimination arising from diversity in organisations owing to globalisation. Fair treatment of all employees will go a long way to ultimately improve employment relations within the workplace during the era of globalisation. Fair treatment of all employees, including temporary ones, would make them feel valued and appreciated by the organisation for their respective contributions.

**A renewed need for constant and effective training and development**

There is a significant lack of training in the film industry. Organisations in the film industry should implement an effective training and development plan to ensure that their skills base is both locally and internationally competitive.

**Conclusion**

It can be concluded that globalisation affords benefits and opportunities to all countries involved in the process (Birol, 2012). However, globalisation also has its disadvantages. It has posed challenges to the employment relationship in South
Africa, specifically in the film industry. Evidently, globalisation has triggered a mixed feeling, and has affected employment relations in the film industry both positively and negatively. Technology and the use of casual employees are noticeable aspects of globalisation that have affected employment relations in the film industry. The findings indicate that globalisation has introduced new standards, competition, diversity, improved communication channels, as well as better opportunities for skilled labour. The downside, however, is the casualisation of labour, which leads to exploitation, conflicts, discrimination, and unfair labour practices. Therefore, it is necessary to capitalise on the positive aspects of globalisation towards employment relations and to effectively manage threats against harmonious employment relations in the film industry. It is pertinent to emphasise that harmonious and good employment relations are significant to maintain productive and highly performing organisations. The key to harmonious employment relations is honest and open communications between and amongst the parties involved. This helps to clarify what is expected of all parties involved in the employment relationship, thereby leading to healthy relations.

References


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