

The Influence of Trade Union Organizations: Choice of Involvement and Participation Initiatives

Abstract

In the given paper, the influence of trade unions in organizations is going to be considered; and a trade union will be defined as an organization formed and run by employees in all categories including professionals and non-professionals who join to mainly gain bargaining power over the issues that affect them as employees, according to Schregle (1976).

This paper will indicate the guarantees that trade unions give employees, which include suitable salaries, better working conditions free from health hazards, protecting employees' rights, etc. The availability of favorable policies that do not infringe on employees' rights, providence of good social amenities including infrastructure, and offering not merely economical benefits, but basic human needs that enable employees to work better and be productive (Rubenowitz, Norrgren, & Tannenbaum, 1983). The paper will also give examples of trade union functionalities that can influence either positively or negatively any organizations' participation initiatives. The paper will also look into the current employment system and its peculiarities.

Introduction

The main reason for forming a trade union is providing employees the protection from oppression and offering employees some of the benefits including collective bargaining over wages. It is also important to mark that trade unions tend to create better working conditions, both in terms of health and comfort (Panitch & Swartz, 2003). The trade unions also fight for reasonable amount of working hours, which protects

employees from exploitation by employers. Trade unions also protect workers from oppressive social policies and legislations that would infringe on workers' rights (Goldstein, 1952). Other benefits include work rules, management hierarchy, hiring, dismissals, promotion issues, etc. However not all trade unions have the rights to intervene the business of the companies to such extent. In most cases, there is always a struggle between trade unions and employers including governments, as Markey, Hodkinson & Kowalczyk (2002) noticed. The struggle results in strikes and go-slows. Furthermore, if the reasons for strikes and go-slows are not resolved, the latter result in law suits and, in worst cases, in the closure of businesses and organizations. Members of trade unions include professionals or white-collar job class, individual workers, the unemployed and have-been workers. Apart from workers protection, trade unions have impact on political and economical systems of a country and may be involved in lobbying for a particular candidate for a certain post (Sand in the wheels, 2000). As a matter of fact, trade unions can also finance an individual who is most likely to fight for trade unions' interests in higher ranks of the government (Birch, 1968). However, it is important to note that not all trade unions are genuine, especially when it comes to political and economic affairs. Many leaders have been accused of compromising the interests of their supporters when the trade unions are presented counter offers including political or financial gifts by the employers or the government itself. Moreover, employers have a way of protecting themselves from "unreasonable" demands from workers as well. Whenever the workers plan to strike in order to push for a certain right, employers are seen in labor courts looking for favors and assistance from judges. An 18th-century economist Adam Smith said that "when workers combine, masters ... never cease to call aloud for the assistance of the civil magistrate," according to

Scaperlanda & Collett (2007, p. 170). In addition, masters can unite to create strong associations as well, especially those in the same businesses, to ensure that workers are frustrated in their search of better services. To reach the necessary effect on the workers, employers can agree not to raise salaries or to improve their workers working conditions, especially those demanding additional expenditures (Parnell & Menefee, 1995). Employees also refuse to offer the workers the required facilities by dismissing the workers who have had experience in working in different organizations. In the end, the desperate workers stop fighting for their rights or even settle for less. It is important to note the right to join or not to join a trade union mentioned in article 23, subsection 4 and in article 20 subsection 2 respectively of the Universal Declaration of Human Rights (UDHR). These two articles give a worker a choice of joining or not joining a trade union and nothing should either compel or prohibit from practicing his human right on issues of employment (Panitch & Swartz, 2003).

Discussion

Organizations face a serious choice when deciding whom to employ because there are certain advantages and disadvantages of employing either unionized or un-unionized employees. Organizations have to choose from different categories of employees. These categories, or models, include a closed shop, also known as a pre-entry shop. The latter category is mainly found in the UK, and in the case under discussion the employer must source employees from the union. This is could be both a positive and a negative influence, since these might be the organizations that are against trade unions. In the scenario involving a negative attitude towards trade unions, an organization might decide against investing in certain areas, especially if there are strong trade unions (Locke & Schweiger, 1979). Once the company feels that it will first

be able to have a large choice of human resource, since human resource market vary from organization to another, the threat it poses to trade unions becomes impressive (Schregle, 1976).

Again, this kind of category can prevent an organization from investing if the management feels that the trade unions are also lobbyist of a conflicting policy, as Schuler (1992) marks. For example, it would be difficult for any organization to build an energy plant in any part of Europe without recognizing the objectives that were set up by the European Union, namely, the sustainable development strategy of 2006, which included environmental protection, social equity and cohesion, economic prosperity and meeting EU international responsibility (Wimalasiri & Kouzmin, 2000). Though they sound rather alluring, the above-mentioned requirements might be very expensive for an organization concerning both the costs of production and the expenditure. However, since the concern for the working climate has intensified over the time, the change in the working atmosphere might be a good way out for organization who would like to win the public's opinion on their positive views on the climate (Michie & Sheehan, 2005). As a result, the trade unions that express concern for the working climate would turn rather attractive to some organizations. Though it could be expensive to consider all the requirements for a healthy climate, including supporting policy on promotion and protection of fundamental rights, solidarity within and between generation open to democracy, society involved, business and social partnership, creating a decent working environment could actually end up profitable, since the public will incline to buy commodities from environment- and community-friendly organizations. Besides, there are trade unions that lobby not only for environment, but also for pricing. An organization may, therefore, feel put away by such unions, since the organization would

want to operate in a more liberal ground where they can set their own prices. The kind of organization that does not presuppose tough control might encourage faster economical growth in developing countries, since trade unions are not well established there and the trade union leaders compromise easily due to the level of corruption that is reported in those countries. A good example of an organization that can do well in developing countries is an energy organization, since, first of all, there are no strong trade unions that lobby for environment and against the governments; and, secondly, trade unions in developing countries have been reported to be easily corruptible, which means that environmental and pricing issues will not be a problem in those countries. Many organizations would unethically succeed in the countries that are on their early development stage, since the issues of environment and pricing are neglected, as well as other necessities like housing and transport sector, infrastructure. The latter are completely forgotten, which means that modern organizations will not invest there (Clarke & Clements, 1978).

There is also another model of trade union system, known as a Union shop or post-entry closed shop in the US. While there is a system of working together with trade union, in the UK organizations are not obliged to employ unionized workers. However, the above-mentioned organizations set the time within which a new non-union employee will be allowed to join a trade union, which also has its positive or negative influence on organizations. Organizations in this type of categories are free to employ both unionized and non-unionized employees, so they enjoy an expanded employee market share, since they can employ anyone if (s)he joins a union later. Employing the members of trade unions is encouraging to many organizations. However, the trade union members are not the best category of employees because, should a problem

emerge, they would have to pay an agency for trade union services. There is another form of employment, which presupposes that no trade union membership is required. In such a category, organizations are free to employ anyone, which gives them an expanded human resource market to employ from. This form of employment allows organizations to feel free to stamp their feet on working conditions, since their employees have no bargaining power. This form of employment is mandated in some states in the US. However, where trade unions are strong, even non-members benefit from their influence (Schregle, 1976).

There are other types of trade unions that work together with the governmental or private organizations for the betterment of employees. For example, on October 19, 2007, the European trade unions and employers clinched a deal on flexicurity of labor market reforms. This was a result of two key challenges that engulf Europe; the speed of globalization and the ageing population and this was weighing down Europe's economy. As a result, there was a wide range of public consultation and arguments concerning the extent of flexibility and security that was required. Trade unions agreed to a policy that would guarantee more flexibility for enterprises to hire and dismiss workers, while maintaining high standards of social security. Trade unions and employers created what they called a win-win situation which would be equally beneficial for both employees and employers. In such situations, organizations are encouraged to get more and more involved in initiatives, since they know that, as long as they keep their side of bargain, trade unions will not bother them. However, the situation has to be really conflicting for trade unions to agree to such terms and so organizations may not have a lot to benefit. Like in the above-mentioned case there are

clearly not so much human resources and globalization effects, which means that organizations might not find trade unions' offer attractive enough.

Another detail that can influence an organization's involvement is where the government has involved itself with trade unions affairs and wants to favor organizations especially (McMahan & Lawler, 1995). The fight against neo-liberalism in Korea is a good example of government's involvement into the organizational changes. In Korea, there are concerts, bands and musical artists who are against neo-liberal globalization and involvement of international financial institutions. However, the government is for the idea, banning all rallies and demonstrations that are concerned with this struggle (Milner & Richards, 1991). Movie industries' lobbyists and trade unions plus the media have gunned up against the actions of the government aimed at liberalizing movie industry. Actor Moon Sung-Geun says that if the treaty between Korea and US is signed, US capital will swamp Korea's movie industry forever and the Koreans will not be able to convey their history and culture to their people. "We oppose neo-liberal globalization which destroys cultural and artistic diversity and we declare solidarity to the struggle against globalization" (Sand in the wheels, 2000). At the same time, workers have stood up against any further privatization and foreign sale of public sectors. In fact, 50,000 workers of the Korean trade unions took part in this struggle. This is a very good example of trade unions influence on organizations because unless the situation is not fairly resolved, no investment can take place in such an environment.

Apart from both positive and negative influence on trade unions on organizations showed above, there is another way in which trade unions can influence organizations, called positive anti-unionism which refers to corporate strategies that build on social and economic balance characteristic and that can possibly replace trade unions. The

examples of such structures are found in Nordic region, where trade unions work with various employers to establish national cultures and policies that reflect the regions labor market models. In this type of system, employees' needs are taken care of, including fair salaries, favorable policies, and human rights. As a result, trade unions become then redundant because their services have already been offered by the state or the employer. Such systems are favorable both for the organizations and for the employees, which means that this kind of systems normally attracts organizations to this region. Organizations in this type of system also benefit from a good share of human resource since everyone is willing to work for such organization (Mizrahi, 2002).

Conclusion

Competition in the labor market is likely to be high, since there are organizations that are fair to the employees and so the organizations have an opportunity of getting the best out the labor market. In addition, organizations are likely to get involved into the concerns of employees more, since the entrepreneurs are already assured that trade unions are ready to collaborate with them (Wimalasiri & Kouzmin, 2000). At the same time, there are organizations that will consider this type of system inconvenient, since the maintenance of such a system might be expensive or less profitable for organizations. It is expensive to make everybody satisfied; thus, organization leaders would prefer the system that presupposes a confrontation against the trade union because there is always a loophole for compromising the trade unions leaders and oppressing the workers. Such systems may seem to work well with the government, which means that there won't be the need to sacrifice the elements profitable for the organization. Depending on the kind of business an organization would want to venture in, the managing system offered seems to be the best for an employee because anyway

the fact that they have trade unions does not mean that all their problems are solved.

For the organization which does not need to keep on struggling and fighting with the

State and Trade unions, creating an independent trade union system is an ideal way out

(Clarke & Clements, 1978).

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