

## Building Union Commitment: Challenges and Reality

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**Abstract:** The current dramatic changes have given great pressure on the trade union movement. In Malaysia, union density is declining and this situation could endanger the survival and future of unions. In order to revive members support, it is critical to gain more understanding about member's commitment toward their union. This study looked into the issue of union commitment and its predictors. Based on correlation and regression analysis, the results showed significant relationship between union leadership, union socialization and perceived union instrumentality with union commitment. Further discussion pertaining to the findings and implications are provided.

**Key words:** Union commitment, union leadership, union socialization, perceived union instrumentality, trade union

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### INTRODUCTION

Basically there are many issues confronting labor movement around the globe. The changing conditions in the world market have to some extent transformed the organization of work. In pursuing the economic development, the government of Malaysia has developed transformation programs which have brought new changes to the employment sector covering organizations including unions.

Traditionally, trade unions are instrumental in achieving and strengthening collective bargaining power between the employees and employers. By developing and maintaining good relationship between them would enable workers to secure more benefits with respect to their terms and conditions of employment. For voluntary organizations such as trade unions, the environmental changes have to some extent affected their position in the industrial relations systems. Issues of work stoppage, high rate of retirement and rising unemployment has led to a reduction in union membership (Rose *et al.*, 2011). In addition, trade unions and employees have limited influence in the workplace.

In this regard, although employees have the right to form and join unions, the union's influence has been reduced or circumscribed by laws pertaining to issues including union recognition, the scope of collective bargaining, freedom to strike and issues of dispute resolution (Kumar *et al.*, 2013).

In this context, the union's movement are monitored, controlled and regulated under various labor legislations. These include the Employment Act (EA), the Trade Union Act (TUA) and the Industrial Relations Act (IRA). Within these acts there are many provisions that weaken the influence of trade unions (Maimunah, 2011). For example, the IRA, allows employers to prohibit management, executives and those who work in a confidential or security capacity from joining a union. In another aspect, trade union efforts are restricted in reaching decent collective agreements and to protect employees. Basically, unions must gain recognition before going for collective bargaining process with the employer. If successful, unions may submit collective agreements on behalf of their members. However, the IRA (part IV) forbids such agreements to deal and involve matters regarding promotion, transfer, termination, dismissal and retrenchments. The TUA does not allow general unions for workers. In this context, membership of any trade union is confined to only those who come from the same industry, establishment, trade and occupation. Generally, employees from managerial, executives, confidential and security categories are not allowed to join unions, nor can they be represented by a union for the purpose of collective bargaining.

According to Kuruvilla (1996), the scope of bargaining affects the interaction and the extent of social dialogue between union leaders and employers. It is also reported that trade union density has dropped by about 40% since 1982 and currently only 8% of Malaysian

Table 1: Number of unions and membership

Years	No. of union	No. of union membership
May 2015	722	933501
2013	706	914677
2012	694	897180
2011	697	800171
2010	690	803289
2009	680	806860
2008	659	805565
2007	642	803212
2006	631	801585
2005	621	761160
2004	611	783108
2003	609	789163
2002	581	807260
2001	578	764881

Table 2: Union and membership by sector

Industry	2013		2015	
	No. of union	No. of member	No. of union	No. of member
Construction	7	2729	7	2340
Manufacturing	161	95306	165	94947
Mining and quarrying	3	961	3	156
Electricity, gas, steam and air-conditioning	18	43840	18	45035
Water supply; waste management	17	9134	23	8955
Transportation and storage	78	47492	79	49801
Information and communication	26	14227	25	14349
Financial and Insurance	47	45013	47	44560
Real estate activities	7	181	7	278
Education	57	330582	57	341610
Human, health and social work	43	64084	40	68792
Public administrative and defense	119	124208	121	130366

workers belong to a union despite the growing number of union members and trade unions in Malaysia. Based on statistics provided by the Malaysian Ministry of Human Resource the labor forces are about 13.8 mln. However, there are only 918673 workers who are union members. On the average from 2008 till 2014, the union membership growth rate has showed a decreasing trend despite significant growth in the number of registered trade unions as shown in Table 1 and 2. The declined in union density seems to dignify a weakening influence of the unions and this situation could threaten their position in representing employees. This situation would gradually erase the confidence and commitment of their members and cause unions to be perceived as irrelevant organizations.

From Table 1 and 2, it is apparent that union density in Malaysia has been steadily declining and although there is an increase, it seemed insignificant or negligible at most. While absolute union membership has continued to increase over the years, the average membership per union has continued to decline which points to the trade union movement having many unions with small membership size.

### Literature review

**Union commitment:** According to Gordon *et al.* (1980), union commitment subsumes four major dimensions comprise of attitude of loyalty to the union, a feeling of responsibility to the union, a willingness to exert strong effort on behalf of the union and a belief in the goals of unionism. Union commitment can also be explained based on the dimensional model as proposed by Sverke and Kuruvilla (1996). In this regard, union commitment consist of value, rationality basic dimension which stressed to the degree of value congruence between memebbers and their union while the instrumental rationality based dimension portrays a conscious evaluation of costs and benefits related to union membership. According to Bolton *et al.* (2007), understanding behavioral intention such as union commitment could be important for improving levels of union participation especially in conducting collective bargaining with management.

**Union leadership:** Scholars have suggested that union leadership is of critical consideration in influencing member's commitment. Basically, union leaders are considered as key roles, acting as decision makers in their own right and as facilitators of rank and file involvement in decision making. In this respect, member's attitudes toward union such as union commitment would predict member's participation and in themselves are influenced by the leadership styles of union representative (Hammer *et al.*, 2009). Consequently, the hypothesis formulates as:

- H<sub>2.1</sub>: Union leadership significantly influences union commitment

**Union socialization:** According to some organizational theories, an important determinant of the development of positive organizational attitudes and commitment is the degree to which the organization socializes with the newcomer and communicates core values and norms through various planned socialization experiences (Clark, 2013). With more environmental challenges faced by unions, it would be more interesting to gain more understanding regarding perception about union socialization and its influence on member's commitment. Hence, the hypothesis is formulated as:

- H<sub>2.2</sub>: Union socialization significantly influences union commitment

**Perceived union instrumentality:** Perceived union instrumentality refers to perceive the union as being

effective in fulfilling the roles as the workers representative (Newton and Shore, 1992). In this context, some relevant questions are such as what does my union do for me? Does my union have the power to influence my employer? Am I pleased with the type of action union is taking to improve my working conditions? This variable reflects the belief about union capability in handling matters such as improve wages, benefits, working conditions through the process of collective bargaining. Hence, the hypothesis is formulated as:

- H<sub>2.3</sub>: Perceived union instrumentality significantly influence union commitment

### MATERIALS AND METHODS

The research design employed was a quantitative method which used survey-based design using questionnaire. The sampling technique adopted was simple random while the unit of analysis for this study is individual union member. The scope of study focused on one national union in the Malaysian banking industry. Based on the membership registration list, the respondents were randomly selected. A total of 300 questionnaires were distributed and from this total, 160 were returned with response rate of 53.3%. However, due to incomplete information, only 141 questionnaires were usable for further analysis.

With respect to measurement of variables, all of the measures used have been adopted from various sources. In some cases, modifications to the adopted measures have been made to render them appropriate to the context of the study. The constructs were measured by Likert term scales which have appeared in the literature and have demonstrated high reliability and validity. The scales for each of the items were arranged from strongly disagree to strongly agree. The scales were provided in the following Table 3.

**Findings:** Based on the useable number of 141 questionnaires received, the factor analysis was conducted and later followed with the reliability analysis. As shown in Table 4, all the Cronbach alphas of the measures were high and acceptable.

In order to answer to the hypotheses formulated, the Pearson product moment correlation was utilized (Table 5). This followed with multiple regression which assessed the strength of the relationship among the variables (Table 6).

Table 3: Measurements

Variables	Source	Item
Union commitment	O'Reilly and Chapman (1986) Heshizer and Lund (1997)	15
Union leadership	Conger and Kanungo (1992)	9
Union socialization	Gordon <i>et al.</i> (1980)	10
Perceived union instrumentality	DeCotiis and Lelouarn (1981)	7

Table 4: Reliability results

Construct	Reliability ( $\alpha$ )
<b>Dependent variable</b>	
Union Commitment (UC)	0.90
<b>Independent variables</b>	
Union Leadership (UL)	0.93
Union Socialization (US)	0.73
Perceived Union Instrumentality (PUI)	0.90

Table 5: Correlations among the variables

Variables	Mean	SD	UC	US	PUI	UL
UC	4.335	0.460	1			
US	3.825	0.529	0.605**	1		
PUI	4.310	0.499	0.691**	0.598**	1	
UL	4.299	0.543	0.731**	0.632**	0.690**	1

\*\*Correlations is significant at the 0.01 level (2-tailed)

Table 6: Multiple regression on UC

Variables	Beta	Sig.
US	0.242**	0.006
PUI	0.316**	0.000
UL	0.364**	0.000
F value	45.214	
R <sup>2</sup>	0.626	
Adjusted R <sup>2</sup>	0.612	

N = 141; R<sup>2</sup> = 0.626; Adjusted R<sup>2</sup> = 0.612; F-value = 45.214; \*\*p<0.01

### RESULTS AND DISCUSSION

The results showed high level of union commitment among the union members, despite many challenges and pressures surrounding unions. Although, union has traditionally been treated as an instrumental concept where members become attached to the union based upon economic benefits this study showed that members also committed similar values and goals with the union. Based on the correlation and regression analysis, the results showed significant relationships between union leadership, union socialization and perceived union instrumentality with union commitment. Thus, all the hypotheses are acceptable. The results also proved that members valued the importance of leaders in managing and fulfilling member's expectations and aspirations.

In light of the tremendous environmental upheavals of the 1990s till present with increased events of downsizing, corporate restructuring and economic downturn, commitment is an important and critical factor which can contribute to the union continuance and effectiveness (Line and Lasmane, 2014). Facing with the present economic challenges and expensive cost of living, leaders are important key people to negotiate issues

(terms and conditions of employment) in collective bargaining, seek opinions of members when making decisions, providing accurate information to the union members, etc. These efforts are critical in maintaining close relationship with the members and instill loyalty, pride and trust among them.

### **CONCLUSION**

Being voluntary in nature, unions often faced difficulties in playing the roles as the vanguard to protect worker's rights and interests. Although, unions have extended their roles, the dramatic changes surrounding the environment have contributed a serious impact in the performance and effectiveness of unions. The results also showed the importance of variables such as union leadership, union socialization and perceived union instrumentality in influencing member's commitment. Hence, unions may need to take more rigorous, active and creative efforts in maintaining and securing member's commitment. There is an urgent need for unions to become more flexible and inventive in how they organize and to serve members expectations.

### **IMPLICATIONS**

The findings of this study may provide some important insights to the present trade unions in formulating more effective strategies to increase member's commitment. The current study also displayed that union leadership, union socialization and perceived union instrumentality are some of the significant predictors of union commitment. Hence in order to gain and secure high commitment from members, union leaders should take more creative efforts and solutions in educating and communicating current information. More serious efforts need to be done in both formal and informal socialization activities so as to ensure good relationship and greater understanding and transparency between leaders and members. These activities are critical in strengthening the position of unions as member's representatives. The globalization provide more challenges to union movement and hence leadership plays critical role. There is a need to focus on organizing the unorganized and reach out to the new generation of workers that is the e-Generation.

Hence, trade unions need to review their organizing strategies as well as their internal procedures and processes. They may need to also reinvent themselves as e-Organizations to survive and prosper. The increasing emphasis on e-Unions should include easier and faster communication with union members, conveying and sharing of information regarding education and training opportunities, creating international links, etc. In

addition, trade unions should take intensive effort to extend their roles beyond just being involved in their own activities and foray into activities strategic to their communities and their employers. In this context, there is a need to articulate a vision that seeks to engage both unions and employers in an intelligent discourse. Perhaps, instead of taking the traditional adversarial approach, a partnership approach could be considered as another strategic priority.

### **RECOMMENDATIONS**

Future studies of union commitment should take into consideration larger samples with longitudinal research design. The efforts would strengthen the validity, generalization and reliability of future research findings.

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