

Influence of Collective Bargaining on Employee Relations & Organizational Commitment

Arup Roy Chowdhury & M G Jomon

This empirical study examined differences in perceptions regarding employee relations climate and organizational commitment among three groups: unionized category, contract workers and white collar employees. Results indicate that unionized employees generally had positive attitudes towards employee relations climate and organizational commitment.

Arup Roy Chowdhury (E-mail: aruproychow8@gmail.com) & **M G Jomon** are from XLRI, Jamshedpur

Introduction

Harmonious industrial relations is being considered as one of the building blocks to organizational success in today's business complexity. While many of the age old organizations and also the new ones are opting for unionless structure, collective bargaining still remains an effective process which can influence employee relation climate and organizational commitment. Lately, there is a shift from traditional forms of arms length collective bargaining to move towards "mutual gains bargaining" in unionized organizations. There are organizations wherein distributive and integrative bargaining have been used in interest based negotiations and strategic bargaining. Also in its new avtaar, the union acts in the capacity of a shared agent by assuming dual agency role thereby (a) providing numerous services to the employer while still fulfilling its obligations to its members; (b) compensate the organization for the privilege of differentially rewarding its membership and improving its internal and external security.

Research Question

RQ1: Does collective bargaining influence perception of organizational play-

ers which in turn affect organizational commitment with regard to strive, job satisfaction, intention to quit and loyalty?

RQ2: Does collective bargaining influence perception of organizational players which in turn affect employee relations climate with regard to cooperation, consultation, confrontation and communication?

Collective Bargaining

Collins, Hatcher and Ross (1993) suggest collective bargaining as a process where both employees and their employer have a say in organizational decision making. Collective bargaining is being viewed as a multidimensional system which focuses on (a) negotiation of new agreements between union and management; (b) implement the agreed terms and conditions of the agreement; (c) shape the climate for employee relations and organizational commitment (Chamberlain & Kuhn, 1965; Walton & McKersie, 1965). Researchers like Jones and Blakemore, Hunt and Kiker observed two kinds of effects: (a) bargaining effect that represents the differential between the wage received by a non-unionized worker employed in a collective bargaining unit as compared to one not covered by collective bargaining agreement; (b) membership effect that represents the wage differential between unionized and non-unionized workers covered by collective bargaining agreements.

Employee Relations Climate

Dastmalchian, Adamson and Blyton (1986) defined employee relations cli-

Employee relations climate will be more cooperative where the union adopts a problem solving or integrative approach.

mate as an estimate of union-management cooperation, mutual regard, apathy, joint participation, trust /fairness. Guest & Peccei (2001); Ichniowski (1986) and Fryxell and Gordon (1989) argued that procedural justice will also be associated positively if employees perceive fairness in the processes for determining outcomes and management is willing to accept its obligations under the collective bargaining arrangements. Hammer and Stern (1986); Cooke (1989) and Newton and Shore (1992) argued that employee relations climate will be more cooperative where the union adopts a problem solving or integrative approach to bargaining emphasizing the common or complementary interests of the parties.

Organizational Commitment

Gordon and Ladd (1990) suggested that workers who view the union-management relationship as positive will be more likely to engage in “irrevocable and volitional acts supportive of both union and management.” The theoretical rationale for these relationships is that participation promotes feelings of independence, influence, and esteem among employees, which in turn enhance morale and organizational commitment (Locke & Schweiger, 1979).

Unionized/ Non- unionized Categories

According to Jacobi, Keller and Muller-Jentsch (1998), Katz and Darbshire (2000) and Budd (2004), “unionized” category refers to situations in which majority of the concerned workers are members of a trade union thus enabling the latter to become a collective bargaining representative of that workforce. Mironi (2010) described “unionized” and “non-unionized” organizations as workplaces where employer-employee relations are primarily collective and individual in nature. The main differences between the two are in the processes by which employment rights and duties are established, modified, administered and enforced.

Objective of the Study

To study the influence of collective bargaining on employee relations climate (cooperation, confrontation, communication, consultation) and organizational commitment (job satisfaction, strive, intention to stay, loyalty) perception amongst or-

ganizational players (unionized category, contract workers and white collar employees).

Sample Size

Responses sought through questionnaire from 600 respondents out of which 78.33% responded. (Table 1)

Hypotheses

Basic framework for study is given in Fig. 1. The hypotheses taken for the study are stated as:

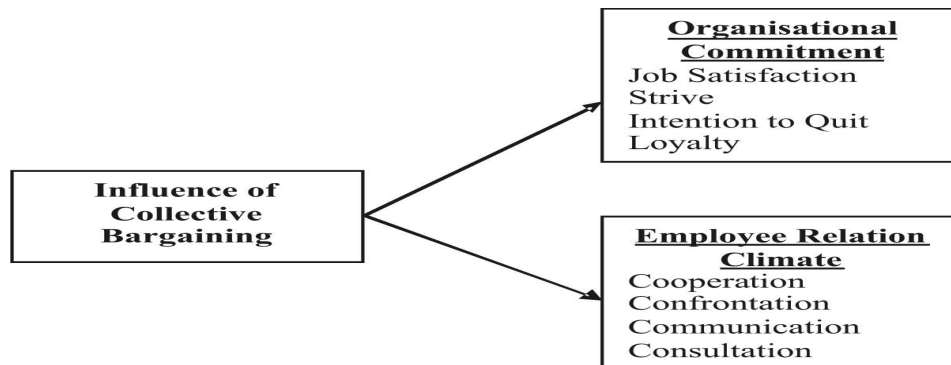
Hypothesis 1: Organizational players involved in collective bargaining process have more perceived influence in positive employee relations climate than players who wish to participate in collective bargaining process but did not have the opportunity to do so.

Hypothesis 2: Organizational players involved in collective bargaining process have high organizational commitment than players who wish to participate in collective bargaining process but did not have the opportunity to do so.

Table 1 Breakup of Survey respondents

Organization	No. of Survey Q'nnaire Distributed			No. of filled up Q'nnaire Received		
	Worker	Union Representative	Manager	Worker	Union Representative	Manager
Organization I	130	20	50	121	20	47
Organization II	20	5	15	15	10	15
Organization III	40	5	15	31	4	13
Vendor I	90	0	10	69	0	7
Vendor II	90	0	10	54	0	6
Vendor III	90	0	10	53	0	5
Total	460	30	110	343	34	93
Grand Total	600	470				

Fig. 1 Framework



Hypothesis 3: Employee relations climate for cooperation, confrontation, communication, consultation will be positively related to organizational commitment.

Organizational Commitment Dimensions Questionnaire

Organizational commitment was measured using items adapted from Mowday et al. (1979), Allen and Meyer (1990), Dastmalchian, Adamson & Blyton (1986). The adapted instrument consisted of 15 items of which four items were reverse scored. The questionnaire was refined as per organizational need. Responses were sought using a 5 point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The scale's reliability coefficient in this study was 0.84. Sample items include: "I am willing to put extra effort to make my organization successful", "I am loyal to my organization", "I am proud to tell others that my company values me and is committed to me as an employee", "I always tell my friends that my organization is a great place to work for", "I really care about the fate of this company" etc.

Employee Relation Climate Dimensions Questionnaire

Employee relations climate was measured using items adapted from Deery, Erwin and Iverson (1999). The adapted instrument consisted of 12 items of which four items were reverse scored. Responses were sought using a 5 point Likert scale ranging from 1 (never) to 5 (always). The scale's reliability coefficient in this study was 0.86. Sample items include: "Union & management is reasonable and transparent in dealing with each other", "In negotiations/grievance handling union uses pressure tactics", "Union and Management in my organization encourages new and innovative ways of doing things to improve productivity", "In my organization it is easy to be loyal to both the union and management etc.

Organizational Commitment Index

An index is proposed to measure organizational commitment which is arrived at by taking the weighted average of job satisfaction, intention to stay, strive, loyalty on a 5 point Likert type scale.

Employee Relations Climate Index

An index is proposed to measure employee relations climate which is arrived at by taking the weighted average of cooperation, commitment, confrontation, communication perception on a 5 point Likert type scale.

Descriptive Statistics

Organizational Commitment Dimensions

Permanent Employee: Mean score for items in organizational commitment dimensions for organization I, organization II and organization III ranged from 3.36 to 3.87, 3.60 to 4.13 and 4.08 to 4.49 respectively. Mean values of variables indicated that respondents of organization I, organization II and organization III were satisfied with Strive: organization I ($X = 3.94$, $\sigma = 0.78$), organization II ($X = 4.38$, $\sigma = 0.27$), organization III ($X = 4.71$, $\sigma = 0.45$). Responses for job satisfaction excluding the reverse scored item (“Grievances are usually suppressed in my organization”) indicated moderate satisfaction: organization I ($X = 3.36$, $\sigma = 0.65$); organization II ($X = 2.85$, $\sigma = 0.85$), Organization III ($X = 4.08$, $\sigma = 0.51$).

Mean values for reverse scored items (“Deciding to work for this organization was a definite mistake on my part; I often find it difficult to agree with my company on policies related to its employees; There is not much to be gained by sticking to this organization till my retirement”) in intention to quit indicated poor satis-

faction: organization I ($X = 1.66$, $\sigma = 0.11$), organization II ($X = 1.72$, $\sigma = 0.36$), organization III ($X = 1.69$, $\sigma = 0.14$). Responses on loyalty for organization I ($X = 3.87$, $\sigma = 0.77$), organization II ($X = 4.13$, $\sigma = 0.40$), organization III ($X = 4.49$, $\sigma = 0.91$) indicated that employees, managers & union representative perceived high level of trust and commitment in organizations.

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Contractor Worker; Mean score for items in organizational commitment dimensions for vendor I, vendor II, and vendor III ranged from 3.79 to 4.16, 3.47 to 3.61, and 2.51 to 3.70 respectively. Mean values indicated that respondents of Vendor I, Vendor II, Vendor III were quite satisfied with Strive: Vendor I ($X = 3.92$, $\sigma = 0.86$), Vendor II ($X = 3.59$, $\sigma = 1.02$), Vendor III ($X = 3.16$, $\sigma = 1.07$). Responses on job satisfaction excluding the reverse scored item (“Grievances are usually suppressed in my organization”) indicated moderate satisfaction: Vendor I ($X = 3.06$, $\sigma = 0.73$), Vendor II ($X = 2.85$, $\sigma = 0.85$), Vendor III ($X = 2.67$, $\sigma = 0.91$).

Mean values for reverse scored items (“Deciding to work for this organization was a definite mistake on my part; I often find it difficult to agree with my company on policies related to its employees; There is not much to be gained by sticking to this organization till my retirement”) in intention to quit indicated poor satis-

in intention to quit dimension indicated poor satisfaction: Vendor I ($X = 1.65$, $\sigma = 0.15$), Vendor II ($X = 1.65$, $\sigma = 0.23$), Vendor III ($X = 1.86$, $\sigma = 0.45$).

Contract workers perceived low level of trust and commitment in their organizations.

Responses on loyalty for vendor I ($X = 3.43$, $\sigma = 1.02$), Vendor II ($X = 3.06$, $\sigma = 0.94$), Vendor III ($X = 2.47$, $\sigma = 1.00$) indicated that contract workers perceived low level of trust and commitment in their organizations.

Employee Relations Climate Dimensions

Permanent Employee: Mean score for items in employee relations climate dimensions for organization I, organization II, and organization III ranged from 2.53 to 4.50, 3.85 to 4.37 and 2.62 to 4.72 respectively. Mean values indicated that respondents of organization I, organization II and organization III were highly satisfied with cooperation: organization I ($X = 4.50$, $\sigma = 0.70$), organization II ($X = 4.37$, $\sigma = 0.52$), organization III ($X = 4.60$, $\sigma = 0.55$). Responses on consultation indicated high level of satisfaction: organization I ($X = 4.14$, $\sigma = 0.78$), organization II ($X = 4.31$, $\sigma = 0.62$), organization III ($X = 4.43$, $\sigma = 0.58$).

Mean values for reverse scored items (“In negotiations/grievance handling union uses pressure tactics; Union and management tries to interfere in each other’s internal affairs; The management

makes it difficult for me to talk to my group representative; You can’t be a union member and support management at the same time; Union members don’t like it if you try to help management improve work effectiveness.”) for confrontation indicated poor satisfaction: organization I ($C = 2.53$, $s = 1.17$), organization II ($C = 3.85$, $s = 0.85$), organization III ($C = 2.62$; $s = 1.44$). Responses on communication for organization I ($C = 4.39$, $s = 0.86$), organization II ($C = 4.28$, $s = 0.63$), organization III ($C = 4.72$, $s = 0.46$) indicated that employees, managers, union representatives perceived that there exists high level of communication in organizations.

Contractor Worker: Mean score for items in employee relations climate dimensions for vendor I, vendor II, and Vendor III ranged from 1.13 to 3.44, 1.34 to 2.41, and 1.30 to 1.70 respectively. Mean values indicated that other than respondents of vendor I, vendor II and vendor III were not satisfied with cooperation attribute: Vendor I ($C = 3.36$, $s = 1.19$), Vendor II ($C = 1.38$, $s = 0.87$), Vendor III ($C = 1.58$, $s = 0.84$). On the consultation attribute, responses other than from vendor I indicated low level of satisfaction: Vendor I ($C = 3.04$, $s = 0.92$), vendor II ($C = 1.89$, $s = 0.79$), vendor III ($C = 1.58$, $s = 0.86$).

Mean values for reverse scored items (“In negotiations/grievance handling union uses pressure tactics; Union and management tries to interfere in each other’s internal affairs; The management makes it difficult for me to talk to my group representative; You can’t be a

union member and support management at the same time; Union members don't like it if you try to help management improve work effectiveness.”) for confrontation indicated poor satisfaction: vendor I ($C=1.53, s=0.56$), vendor II ($C=1.70, s=0.67$); vendor III ($C=1.65, s=0.83$). Responses on communication for vendor I ($C=3.07, s=1.13$), vendor II ($C=1.42, s=0.86$), vendor III ($C=1.41, s=0.76$) indicated that contractor workers other than from vendor I perceived that there exists low level of communication in their organizations.

Correlation Analysis

Organizational Commitment Dimensions

Permanent Employee: Analysis suggests that there exists significant relationship for attributes: strive with age 20-30 ($r=0.89, p<0.01$), 31-40 ($r=0.13, p<0.01$), loyalty with age 20-30 ($r=0.32, p<0.01$), 31-40 ($r=0.12, p<0.01$), tenure ($r=0.12, p<0.01$); job satisfaction with age 20-30 ($r=0.47, p<0.01$), 31-40 ($r=0.13, p<0.01$); intention to quit had significant correlation with age 20-30 ($r=0.20, p<0.01$), tenure ($r=0.15, p<0.01$) (Table 2).

Contractor Worker: There exists significant relationship for attributes: strive with age 20-30 ($r=0.88, p<0.01$), 31-40 ($r=0.25, p<0.01$), loyalty with age 20-30 ($r=0.91, p<0.01$), 31-40 ($r=0.23, p<0.01$), gender male ($r=0.17, p<0.01$), female ($r=0.89, p<0.01$); job satisfaction with age 20-30 ($r=0.90, p<0.01$), 31-40 ($r=0.24, p<0.01$), >40 ($r=0.21, p<0.01$), gender male ($r=0.13, p<0.01$), female ($r=0.89, p<0.01$); intention to quit with gender female ($r=0.39, p<0.01$) (Table 3).

Table 2 Correlation between Organizational Commitment Dimensions & Age, Tenure, Gender (Permanent Employee)

	Age (20-30)	Age (31-40)	Age (>40)	Gender	Tenure	Strive	Loyalty	Job Satisfaction	Intention to Quit
Age (20-30)	1								
Age (30-40)	0.10	1							
Age (>40)	-0.12	-0.15	1						
Gender	0.18	0.10	0.12	1					
Tenure	0.98	-0.14	-0.12	0.05	1				
Strive	0.24	0.13	-0.05	0.01	0.10	1			
Loyalty	0.32	0.12	-0.03	-0.03	0.12	0.83	1		
Job Satisfaction	0.47	0.13	-0.06	-0.03	0.10	0.86	0.85	1	
Intention to Quit	0.20	0.00	-0.03	-0.01	0.15	0.18	0.13	0.14	1

Table 3 Correlation between Organizational Commitment Dimensions & Age, Tenure, Gender (Contractor Worker)

	Age (20-30)	Age (31-40)	Age (> 40)	Male	Female	Strive	Loyalty	Job Satisfaction	Intention to Quit
Age (20-30)	1								
Age (31-40)	0.27	1							
Age (> 40)	0.16	0.09	1						
Male	0.42	0.20	0.17	1					
Female	1.00	0.44	-0.15	0.32	1				
Strive	0.88	0.25	0.05	0.09	0.90	1			
Loyalty	0.91	0.23	0.13	0.17	0.89	0.78	1		
Job Satisfaction	0.90	0.24	0.21	0.13	0.89	0.76	0.75	1	
Intention to Quit	-0.05	0.03	0.07	-0.05	0.39	-0.04	-0.04	0.00	1

Employee Relation Climate Dimensions

Permanent Employee: Analysis suggests that there exists significant relationship for attributes: consultation with age 20-30 ($r = 0.27, p < 0.01$), 31-40 ($r = 0.10, p < 0.01$), >40 ($r = 0.16, p < 0.01$), gender male ($r = -0.11, p < 0.01$); confrontation with age 20-30 ($r = -0.43, p < 0.01$), 31-40 ($r = -0.19, p < 0.01$), >40 ($r = 0.19, p < 0.01$), gender male ($r = 0.17, p < 0.01$); cooperation with age 20-30 ($r = 0.13, p < 0.01$), 31-40 ($r = 0.11, p < 0.01$), gender male ($r = -0.21, p < 0.01$), female ($r = 0.45, p < 0.01$); communication with age 20-30 ($r = 0.26, p < 0.01$), 31-40 ($r = 0.13, p < 0.01$), gender male ($r = -0.14, p < 0.01$), female ($r = 0.42, p < 0.01$) (Table 4).

Contractor Worker: Analysis suggests that there exists significant relationship for attributes: consultation with age 20-30 ($r = 0.96, p < 0.01$), 31-40 ($r = 0.28, p < 0.01$) >40 ($r = -0.25, p < 0.01$), gender male ($r = -0.20, p < 0.01$), female ($r = 0.22, p < 0.01$); confrontation with age 20-30 ($r = 0.78, p < 0.01$), 31-40 ($r = 0.15, p < 0.01$), >40 ($r = -0.24, p < 0.01$), gender female ($r = 0.16, p < 0.01$); cooperation with age 20-30 ($r = 0.95, p < 0.01$), 31-40 ($r = 0.26, p < 0.01$), >40 ($r = -0.20, p < 0.01$), gender male ($r = 0.24, p < 0.01$), female ($r = 0.29, p < 0.01$); communication with age 20-30 ($r = 0.95, p < 0.01$), 31-40 ($r = 0.35, p < 0.01$), >40 ($r = -0.24, p < 0.01$), gender male ($r = 0.18, p < 0.01$), female ($r = 0.17, p < 0.01$) (Table 5).

Significant positive correlation exists ranging from 0.14 to 0.86 ($p < 0.01$) (permanent employee) and 0.17 to 0.89 ($p < 0.01$) (contractor worker) between perceptions regarding employee relations climate dimensions and organizational commitment dimensions. Strive, loyalty, job satisfaction and intention to stay had significant correlation with con-

Table 4 Correlation between Employee Relations Climate Dimensions & Age, Tenure, Gender (Permanent Employee)

	Age (20-30)	Age (31-40)	Age > 40	Male	Female	Consultation	Confrontation	Cooperation	Communication
Age (20-30)	1								
Age (31-40)	0.00	1							
Age (> 40)	-0.06	-0.13	1						
Male	0.19	-0.03	0.22	1					
Female	0.14	0.18	0.27	0.13	1				
Consultation	0.27	0.10	0.16	-0.11	0.08	1			
Confrontation	-0.43	-0.19	0.19	0.17	-0.08	-0.08	1		
Cooperation	0.13	0.11	0.07	-0.21	0.45	0.56	-0.49	1	
Communication	0.26	0.13	-0.03	-0.14	0.42	0.70	-0.26	0.67	1

Table 5 Correlation between Employee Relations Climate Dimensions & Age, Tenure, Gender (Contractor Worker)

	Age (20-30)	Age (31-40)	Age > 40	Male	Female	Consultation	Confrontation	Cooperation	Communication
Age (20-30)	1								
Age (31-40)	0.30	1							
Age (> 40)	-0.25	0.05	1						
Male	0.43	0.28	0.33	1					
Female	0.22	0.31	0.33	1.00	1				
Consultation	0.96	0.28	-0.25	0.20	0.22	1			
Confrontation	0.78	0.15	-0.24	0.01	0.16	0.51	1		
Cooperation	0.95	0.26	-0.20	0.24	0.29	0.86	0.44	1	
Communication	0.95	0.35	-0.24	0.18	0.17	0.89	0.50	0.86	1

frontation ($r = 0.09$, $r = 0.06$, $r = 0.09$; $r = 0.14$, $p < 0.01$ respectively) for permanent employees. Similarly, it had significant correlation with communication ($r = 0.27$, $r = 0.30$, $r = 0.23$; $r = 0.02$; $p < 0.01$ respectively) for contractor workers.

Inter-correlation among Organisational Commitment, Employee Relations Climate Dimensions.

Permanent Employee: Strive and loyalty had the highest positive correlation with job satisfaction ($r = 0.86$, $p < 0.01$; $r = 0.85$, $p < 0.01$ respectively). Significant positive correlation exists between consultation and communication (0.70 , $p < 0.01$), consultation and cooperation ($r = 0.56$, $p < 0.01$), cooperation and communication ($r = 0.67$, $p < 0.01$) (Table 6).

Contractor Worker: Loyalty and job satisfaction had the highest positive correlation with strive dimension ($r = 0.78$, $p < 0.01$; $r = 0.76$, $p < 0.01$ respectively). Significant positive correlation exists between consultation and communication (0.89 , $p < 0.01$), consultation and cooperation ($r = 0.86$, $p < 0.01$), cooperation and communication ($r = 0.86$, $p < 0.01$), confrontation and communication ($r = 0.50$, $p < 0.01$) (Table 7).

Hypothesis 1: Organization players involved in collective bargaining process have more perceived influence in positive employee relations climate than players who wish to participate in collective bargaining process but didn't have the opportunity to do so. MANOVA analysis on the perception of players regarding employee relations climate in the organizations suggests support for the aforesaid hypothesis.

Permanent Employee

Cooperation of union to maintain union-management relationship differed significantly ($F =$

Table 6 Inter-correlations among Organizational Commitment Dimensions & Employee Relations Dimensions (Permanent Employee)

	Strive	Loyalty	Job Satisfaction	Intention to Quit	Consultation	Confrontation	Cooperation	Communication
Strive	1							
Loyalty	0.83	1						
Job Satisfaction	0.86	0.85	1					
Intention to Quit	0.19	0.13	0.14	1				
Consultation	0.02	0.02	-0.04	0.07	1			
Confrontation	0.09	0.06	0.09	0.14	-0.08	1		
Cooperation	-0.05	-0.05	-0.08	-0.05	0.56	-0.49	1	
Communication	-0.11	-0.09	-0.14	-0.04	0.70	-0.26	0.67	1

Table 7 Inter-correlations among Organizational Commitment Dimensions & Employee Relations Dimensions (Contractor Worker)

	Strive	Loyalty	Job Satisfaction	Intention to Quit	Consultation	Confrontation	Cooperation	Communication
Strive	1							
Loyalty	0.78	1						
Job Satisfaction	0.76	0.75	1					
Intention to Quit	-0.04	-0.04	0.00	1				
Consultation	0.27	0.33	0.21	-0.01	1			
Confrontation	0.17	0.22	0.23	0.08	0.51	1		
Cooperation	0.24	0.30	0.21	0.08	0.86	0.44	1	
Communication	0.27	0.30	0.23	0.02	0.89	0.50	0.86	1

21.63, $p < .01$) as reflected in their mean score for organization I (managers C = 3.88, union representatives C = 3.93, workers C=4.84); organization II (managers C = 4.20, union representatives C = 4.10, workers C = 4.77); organization III (managers C = 4.31, union representatives C = 4.13, workers C = 4.79). Union representatives emphasized that their active involvement and employee support were instrumental in maintaining harmonious employee relations climate. This is contrary to the observation of Modi (1995) that union representatives prefer a confrontationist climate to ensure upper hand in collective bargaining process to secure a better deal for workers. This suggests that union is cooperative towards management.

Union representatives emphasized that their active involvement and employee support were instrumental in maintaining harmonious employee relations climate.

There was significant difference among the perception of players regarding the consultation of union by the management in policy matters ($F = 23.61, p < .01$) as reflected in mean score for organization I (Managers C = 3.8, union representatives C=3.8, workers C = 4.32); organization II (managers C = 4.18, union representative C = 4.30, workers C=4.44); organization III (managers C = 4.31, union representative C = 4.67, workers C = 4.45). This suggests that management did consult unions prior to taking policy decision, e.g. introduction of separation scheme as a measure of downsizing in consultation with union. Though the scheme was lucrative enough to attract employees to opt for the same, without union cooperation, the company wouldn't have achieved the

In vendor organizations, employee representatives were rarely consulted before implementation of any separation scheme.

same. It was an effort from the union which resulted in wide acceptance of the separation scheme amongst employees. However, in vendor organizations, employee representatives were rarely consulted before implementation of any separation scheme.

Players' perception regarding a confrontationist employee relations climate varied significantly ($F = 22.19, p < .01$). Managers of organization I ($C = 3.84$), organization II ($C = 4.17$), organization III ($C = 4.34$) perceived the climate as more confrontationist in nature as compared to union representatives of organization I ($C = 3.95$), organization II ($C = 3.98$), organization III ($C = 4.30$) and workers of organization I ($C = 1.79$), organization II ($C = 3.41$), organization III ($C = 1.64$). Though managers claim that there were no interference at their end towards union and matters of common interest are discussed and resolved in chief-union meetings. However managers perceived that union leaders seldom cooperated with them during the process of bargaining.

Transparency in communication is considered as an important tool for creating a good employee relations climate. Findings suggest that respondents of organization I (managers $C = 3.86$, union representatives $C = 3.83$, workers $C = 4.69$); organization II (managers $C = 4.14$; union representative $C = 3.90$, workers $C = 4.74$); organization III (managers $C = 4.5$, union representatives $C = 4.5$, workers $C = 4.84$) did not differ significantly in their opinion over the communication process ($F = 23.84, p < .01$) except in organi-

zation II. They perceived that a proactive and effective communication system was operating within the organization and management also tried to establish a direct channel of communication with workers on operational matters.

Contractor Worker

Data suggest that contract workers of vendor II, vendor III were not satisfied with management on welfare measures and grievance resolution. Interaction with workers suggests that the extent of facilities depends on company's profit in a financial year. If the profit is handsome, workers were treated well as compared to an year in which the earnings had dipped. This perhaps had led to a negative perception about the management.

Cooperation of employees to maintain employee-employer relationship differed significantly ($F = 31.83, p < .01$) as reflected in the mean score for vendor I (managers $C = 2.50$, workers $C = 3.45$); vendor II (managers $C = 3.42$, workers $C = 1.14$); vendor III (managers $C = 2.25$, workers $C = 1.49$). This suggests that there is a lack of cooperation.

There was significant difference among the perception of players regarding the consultation of employees by the management in policy matters ($F = 24.41, p < .01$) as reflected in the mean score for vendor I (managers $C = 2.71$, workers $C = 3.07$); vendor II (managers $C = 2.95$, workers $C = 1.77$); vendor III (managers $C = 2.06$, workers $C = 1.51$). This suggests that management did not engage employees in decision making process.

Players' perception regarding a confrontationist employee relations climate varied significantly ($F = 22.19, p < .01$). Managers of vendor I ($C = 2.77$), vendor II ($C = 2.97$), vendor III ($C = 2.17$) perceived the climate as more confrontationist in nature as compared to workers of vendor I ($C = 1.41$), vendor II ($C = 1.56$), vendor III ($C = 1.55$). This suggests mismatch between management vis-a-vis their workers claim that all decisions are taken by mutual consent and no climate of confrontation exists.

This suggests mismatch between management vis-a-vis their workers claim that all decisions are taken by mutual consent and no climate of confrontation exists.

Workers of vendor I, vendor II and vendor III negated the bottom up approach as claimed by management as an initiative for better communication. They felt that even for routine operational matters, it was difficult for them to interact with the manager. The study reflects that respondents of vendor I (managers $C = 2.86$, workers $C = 3.09$); vendor II (managers $C = 3.59$, workers $C = 1.17$); vendor III (managers $C = 2.0$, workers $C = 1.32$) differed significantly in their opinion over the communication process ($F = 23.84, p < .01$).

Hypothesis 2: Organizational players involved in collective bargaining process have high organizational commitment than players who wish to participate in collective bargaining process but didn't have the opportunity to do so.

Permanent Employee

Except for organization III, there is a significant difference in the perception of managers vis-a-vis union representatives and workers on job satisfaction ($F = 49.40, p < .01$): organization I (managers $X = 3.27$, union representatives $X = 3.58$, Workers $C = 3.26$); organization II (managers $X = 3.79$, union representatives $X = 3.88$, workers $C = 3.63$), organization III (managers $X = 4.77$, union representatives $X = 3.83$, workers $C = 4.25$). Except for organization II and organization III, there is a difference in the perception on strive ($F = 34.22, p < .01$): organization I (managers $X = 3.85$, union representatives $X = 4.25$, workers $C = 3.92$); organization II (managers $X = 4.53$, union representatives $X = 4.50$, workers $C = 4.52$); organization III (managers $X = 4.84$, union representative $X = 4.42$, workers $C = 4.80$). Surprisingly, there was not much of a difference in the perception on intention to quit ($F = 41.29, p < .01$): organization I (managers $X = 1.67$, union representatives $X = 1.67$, workers $C = 1.66$); organization II (managers $X = 2.47$; union representative $X = 2.20$, workers $C = 2.33$); organization III (managers $X = 1.67$, union representatives $X = 1.67$, workers $C = 1.70$). Except organization III, there lies a significant difference in the perception on loyalty ($F = 43.60, p < .01$): organization I (managers $X = 3.17$, union representatives $X = 3.44$, workers: $C = 3.23$); organization II (managers $X = 3.77$, union representatives $X = 3.78$, workers $C = 3.67$); organization III (managers $X = 4.21$, union representatives $X = 3.63$, workers $C = 3.92$).

Contractor Worker

Findings suggest that organizational commitment of contract workers towards the employer is lower as compared to permanent employees. Significant difference exists in the perception of managers vis-a-vis workers on job satisfaction ($F = 39.40, p < .01$): vendor I (managers $X = 3.5$, workers $C = 3.0$); vendor II (managers $X = 2.97$, workers $C = 2.82$); vendor III (managers $X = 3.08$, workers $C = 2.56$); Strive ($F = 40.23, p < .01$): vendor I (managers $X = 4.05$, workers $C = 3.92$); vendor II (managers $X = 3.55$, workers $C = 3.57$); vendor III (managers $X = 3.67$, workers $C = 3.04$); Loyalty ($F = 39.40, p < .01$): vendor I (managers $X = 3.32$, workers $C = 2.99$); Vendor II (managers $X = 2.87$, workers $C = 2.78$); vendor III (managers $X = 3.01$, workers $C = 2.42$). However, there was not much of a difference in the perception on intention to quit ($F = 37.83, p < .01$): vendor I (managers $X = 1.67$, workers $C = 1.65$), vendor II (managers $X = 1.67$, workers $C = 1.65$); vendor III (managers $X = 1.5$, workers $C = 1$).

Findings suggest that organizational commitment of contract workers towards the employer is lower as compared to permanent employees.

Hypothesis 3: Employee relations climate for cooperation, confrontation, communication and consultation will be positively related to organizational commitment.

Permanent Employee

There was no significant correlation found between consultation and strive ($r = 0.02, p < 0.01$); consultation and loyalty ($r = 0.02, p < 0.01$); consultation and job satisfaction ($r = -0.04, p < 0.01$); consultation and intention to quit ($r = 0.07, p < 0.01$); confrontation and strive ($r = 0.09, p < 0.01$); confrontation and loyalty ($r = 0.06, p < 0.01$); confrontation and job satisfaction ($r = 0.09, p < 0.01$); except confrontation and intention to quit ($r = 0.14, p < 0.01$); cooperation and strive ($r = -0.05, p < 0.01$); cooperation and loyalty ($r = -0.05, p < 0.01$); cooperation and job satisfaction ($r = -0.08, p < 0.01$); cooperation and intention to quit ($r = -0.05, p < 0.01$). However significant correlation found between communication and strive ($r = -0.11, p < 0.01$); communication and job satisfaction ($r = -0.14, p < 0.01$) (Table 6).

Significant correlation found between communication and strive communication and job satisfaction.

Contractor Worker

Significant correlation exists between consultation and strive ($r = 0.27, p < 0.01$); consultation and loyalty ($r = 0.33, p < 0.01$); consultation and job satisfaction ($r = 0.21, p < 0.01$) except consultation and intention to quit ($r = -0.01, p < 0.01$); confrontation and strive ($r = 0.17, p < 0.01$); confrontation and loyalty ($r = 0.22, p < 0.01$); confrontation and job satisfaction ($r = 0.23, p < 0.01$) except confrontation and intention to quit ($r = 0.08, p < 0.01$); cooperation and

strive ($r = 0.24, p < 0.01$); cooperation and loyalty ($r = 0.30, p < 0.01$); cooperation and job satisfaction ($r = 0.21, p < 0.01$); cooperation and intention to quit ($r = 0.08, p < 0.01$); communication and strive ($r = 0.27, p < 0.01$); communication and loyalty ($r = 0.30, p < 0.01$); communication and job satisfaction ($r = 0.23, p < 0.01$); communication and intention to quit ($r = 0.02, p < 0.01$) (Table 7).

Findings suggest that employee relations climate for cooperation, confrontation, communication and consultation is positively related to organizational commitment for contractor workers.

Limitations & Scope for Future Research

The results of the study were encouraging and intuitive one. However, the findings cannot be generalized as the study was focused in manufacturing organizations only. This study is limited by the responses of different players in the organization. Secondary data like the number of strikes, lock outs, settlement signed, grievances raised and settled, numbers of wage hikes, pending court cases, disciplinary actions could have added value to the study. Since the results may vary from industry to industry depending on its size, sector etc, it becomes imperative to carry out the same set of studies in other organizations in different sectors like automotive, insurance, IT, banking etc to generalize the findings.

Conclusion

Results suggest that recognized unions can act as a catalyst to resolve issues and

collective bargaining process enhances the bondage and trust between employee and employer. It was observed that the management of vendors never wanted to cooperate with employee representatives, leave apart recognizing them as representative union. This was creating a blockage towards maintaining a healthy employee relations climate. However, in organization I, it was observed that the union has become more proactive by discarding the path of confrontation thereby creating an ambience of cooperation for sustainable growth. Management took initiative for maintaining cordial relationship with the union through open discussion. Union representatives perceived that a sound collective bargaining system exists in the organization.

Results suggest that recognized unions can act as a catalyst to resolve issues and collective bargaining process enhances the bondage and trust between employee and employer.

The findings indicate that there exist differences in perception between union members and non-members in collective bargaining units. One thing was quite evident that the bargaining effect persists in organization I, II and III as well as in vendors' setup. While permanent employees are protected against all the adversaries by their respective unions, the same cannot be said about vendor employees.

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