

# Workforce Partnership & Representation in the Non-unionized Organizations: Some Emerging Trends

**Indranil Bose & Raja R Choudhury**

---

*With the growing informalization of the workforce, workers' representation through trade unions have witnessed a dynamic down-turn in recent years. The trend started since late 1990s, became widespread across the globe since then. One of the dominant tendencies that have become growingly visible in this context is the emergence of non-unionized organizations. In this evolving situation, a few research findings have identified different possibilities through which employees' voice and representation can be ensured. The dominant recommendations have been identified as adopting multi-channel model of employee representation, using partnership route through a consultative approach, experimenting with distributive new management model etc. The present article has discussed these emerging dimensions of employee voice representations in the non-unionized organization scenario from different research perspectives.*

**Indranil Bose** is Dean, School of Business, University of Bolton, Academic Centre, Ras Al Khaimah, United Arab Emirates, (Email: sentindranil72@gmail.com). **Raja R Choudhury** is Director-Academic & New Programs, Universal Business School, Kushivili, P O Gaurkamath, Vadap, Karjat 410201, Dist. Raigad, Maharashtra. (Email: raja@ubs.org.in)

## Introduction

Non-unionized workforce is a growing phenomenon in the modern world. According to the ILO (2017), data approximately 87.78% of the global workforce is still non-unionized. However, the representation of the workforce in the non-unionized sectors remains a major area of debate and discussion. The emerging picture of the growing non-unionization of workforce has however raised a few crucial questions and concerns. The first question that has been raised by the majority of the scholars of industrial relations is regarding a 'representation gap' among workers, especially in the private sector. This might be a worrying phenomenon not only for the trade unions, but also for the proponents of the philosophy that an effective employee voice aids organizational efficiency and productivity. The later contention has been promoted by many

organizations; those have promoted models of the 'High Performance Workplace' based on effective employee voice and partnership working (Upchurch et. al., 2006). However, these propositions and practices on both partnership and employee voice fall conspicuously short of translating the desire for employee representation into trade union representation and collective bargaining., the proposed range of employee representation models, those have been discussed in several literatures; indicate towards the soft HRM models.

### **Multi-channel Model of Employee Representation-a Possible Solution?**

One of the most prominent models has been the 'multi-channel model of employee representation' in the non-unionized organizations. Multi-channel approach of employee representation has been defined as the systematic method of forwarding the employee representation and voice through different methods (including trade unions and non-trade union frameworks) in any organization. (Gollan, 2000). However, any conclusion on the most effective method of representation is yet to be finalized. There has been an emerging body of literature examining non-unionized workplaces, usually from within perspectives that focus on particular aspects of managerial strategy (Dundon & Rollinson, 2004). Most of the available studies have highlighted the models describing the strategies for union avoidance and the continuation of managerial authority in an organization (Roy, 1980; Guest & Hoque, 1994;

McLoughlin & Gourlay, 1994), whereas many other studies have focused on product markets as contextual driving factors (Rubery, 1988; Kochan et. al., 1986).

### **Partnership Route & Consultative Approach**

However, the partnership route to organizational effectiveness and efficiency as the management preference has been identified in many other studies; those have examined the voice effectiveness of non-union form of employee representation. According to Gollan (2005), debates in this field of inquiry concentrate on the ability of the 'non-union forms of employee representation' to match or exceed the effectiveness of trade unions as conduits of employee voice and interest. The studies by Bryson (2004), Kelly (1996) have raised the issue in their studies. The main question, asked by them in their research, is whether the consultative-based mechanisms could play an effective role to further their interests. According to Lloyd (1986) Lloyd (2001), good human relations are not just about wages and conditions, but also moral attitude and a deeper understanding of employee needs. For this reason, Tse (1985) argues that it is a misrepresentation simply to label the 'Marksist' approach to human relations as paternalism. In other words, attention is paid not only on those factors which, according to Herzberg (1966), dissatisfy employees (wages, amenities, physical working conditions) but also those that motivate employees (achievement, recognition, responsibility). Of course, policy statements and 'good intentions' are one

**In all organizations, there is invariably 'a gap' between the aspirations and outcomes, between the espoused management style and the reality of personnel practice.**

thing, implementation is another. In all organizations, there is invariably 'a gap' between the aspirations and outcomes, between the espoused management style and the reality of personnel practice (Purcell & Ahlstrand, 1994). An important litmus test of actual policy would of course be employee perceptions, attitudes and experiences of work, but there is a dearth of such information for non-union workers. 'Management' and 'managerialist' have therefore been explained by Davies (1999) as the rhetoric of 'good human relations; that is matched by the 'reality of employee experience'. In short, 'good human relations owe more to example than percept' (Sieff, 1990).

### **New Management Model & Other Emerging Observations**

Alongside capital, concentration and restructuring major changes to the organization of work have taken place as employers have sought to become cost-efficient in a competitive product market (Danford et. al., 2003). De/re-regulation and demutualization are reasons for the emergence of a new management 'model' whereby the old model based on paternalism, conservatism and bureaucracy has given way to a model of sales and performance orientation and technology (Cressey & Scott, 1992). Evidences from the banking sector (Storey et al.,

1997) and insurance (Danford et al., 2003) have suggested that this new model has not always been successfully translated into the creation and consolidation of softer HRM techniques based on employee involvement and participation. This is partly because of a continuation of the old management culture and partly because of staff reductions and low trust of management motives fed by job security (Guest & Hoque, 1994). Delaying of management jobs has been accompanied with the break-up of the whole business into separately accountable business divisions. New forms of pay are prevalent in the sector, based on individual performance and sometimes linked with job evaluation to accommodate shifting skills in relation to new technology. Commentators on non-unionized representation have drawn attention to the ability to negotiate and bargain as a real test of employee representativeness (Terry, 1999; 2003). However, several examples have been found, where the opportunity to negotiate was limited with most meetings centred on management presentations of key business decisions followed by discussion of the implications of these decisions. This was true of distributive issues such as pay where management prerogatives were upheld by delivering results on the pay round on an informative rather than consultative basis. It can be said that in such situations, rather than any disagreement over the substantive issues, little scope within the structure for review and for overturning the management imperative has been responsible in most of the cases.

Employee voice can be measured by the 'mechanisms' for expressing voice (both directly and indirectly) while the effectiveness of voice can be measured by a qualitative analysis of processes and a quantitative analysis of outcomes. Debates on employee voice have focused on the work of Freeman and Medoff (1984) and in particular on whether or not non-union forms of representation can be effective as a union representation in expressing voice. Freeman and Medoff (1984) argued that employee representation must be both collective and independent if it is to be effective and that trade union representation is the best alternative.

**Employee representation must be both collective and independent if it is to be effective and that trade union representation is the best alternative.**

In order to disassemble these variables, employment involvement (EI) has been taken as a 'proxy' for 'voice', because it is a concrete expression and because employees' perception of the effectiveness of the EI mechanisms will determine their perception of voice effectiveness. According to Greenfield and Pleasure (1993), effective voice is the 'power to persuade' management in a particular form of non-union forms of employee representation as a conduit of presentation and hence confirm or deny their employee relations objectives. Proponents of the partnership approach argue that employees and their representatives should have a greater involvement

in organizational decision making as a way of establishing trust and commitment. Decision making should be transparent in that management should share information about the business at an early stage and conduct a meaningful consultation with their employees and their representatives (Dietz et al., 2005). However, there is a potential 'paradox of intention' apparent with regard to partnership in a non-union form of employee representation context. If management wishes to use non-union forms of employee representation as a vehicle to suppress unions, then does this mean that the claimed benefits of partnership are unlikely to materialize simply because an effective representative voice is suppressed?

### **Conclusion**

We have attempted to explore the effectiveness of non-union employee representation in progressing employee voice in an explicit 'partnership' organization. From an employers' perspective, partnership has two major objectives. First is to harness employee creativity through commitment and motivation engendered by techniques of employee involvement and participation. It provides the rationale for the benefits of the high performance workplace and the 'win-win' scenario, whereby organizational productivity improves and employees experience an enhanced job satisfaction and security in return. Associated with such a partnership approach is the desire for transparency of information, a mutual respect for different interests and a focus on improving the quality of work-

ing life. A second reason for partnership for the employer is the desire to provide a micro-institutional avenue for employee voice and dissent that does not threaten managements' prerogative on the introduction of change and which acts as an alternative to potentially threatening adversarial or conflictual models. Ackers (2002) has attempted to define this approach as a neo-pluralist one as a replacement for the traditional but outdated pluralist adversarialism in a new age of risk and uncertainty. Critics, however, argue that such a partnership approach, when used as an employee relations strategy, is reminiscent of the collaborationist 'business unionism', which emerged in many parts of Europe and Asia in the 1980s (Kelly, 1996; McIlroy, 1998). It can be argued that both the *mechanism* and *process* of employee voice in such forms of non-union forms of employee representation are embedded, and it is from this embeddedness that the paradox of intention arises. Given the drift towards non-union forms of employee representation, such a conclusion has a specific significance for policy and practice and suggests that further efforts at institutional enforcement of employee voice will be required to attain the goal of high performance in the organization.

## References

- Ackers, P. (2002), "Reframing Employment Relations: the Case for Neo-pluralism" *Industrial Relations Journal*, 33(1): 2-19.
- Bryson J.M. (2004), "What to Do When Stakeholders Matter: Stakeholder Identification and Analysis Techniques", *Public Management Review*, 6(1): 22-34
- Cressey P. & Scott P. (1992), "Employment Technology and Industrial Relations-Is the Honeymoon Over?", *New Technology, Work and Employment*, 7(2):83-94.
- Danford, A., Richardson, M. & Upchurch, M. (2003), *New Unions, New Workplaces: a study of union resilience in the Restructured Workplace*, London: Routledge.
- Davies, N.J. (1999), "Resilience: Status of Research and Research-based Programs". Working paper, Center for Mental Health Services, Substance Abuse and Mental Health Services Administration, U.S. Department of Health and Human Services; Rockville, MD. Retrieved April, 2019 from: <http://resilnet.uiuc.edu/library.htm>
- Dietz, G., Gullen, J. & Coad, A. (2005), "Can There Be Non-union Forms of Workplace Partnerships?" *Employee Relations*, 27 (3) 289-306.
- Dundon T. & Rollinson D. (2004), *Employment Relations in Non-union Firms*, London: Routledge.
- Freeman, R. & Medoff, J. (1984), *What Do Union Do?* New York, Basic Books.
- Gollan, P. (2000), "Non-union Forms of Employee Representation in the United Kingdom and Australia", in B.E. Kaufman & D.G. Taras (eds.), *Non-union Employee Representation: History, Contemporary Practice, and Policy*, New York: M.E. Sharpe
- Gollan, P. (2005), "Silent Voices: Representation at the Eurotunnel Call Centre", *Employee Relations*, 34 (4) : 423-50.
- Greenfield, P. & Pleasure, R. (1993), "Representatives of Their Own Choosing: Finding Workers' Voice in the Legitimacy and Power of the Unions", in B. Kaufman & M.Kleinder (eds.), *Employee Relation: Alternatives and Future Direction*, Madison, WI: Industrial Relations Research Association.

- Guest, D. & Hoque, K. (1994), "The Good, the Bad, and the Ugly: Employment Relations in New Non-union Workplace", *Human Resource Management Journal*, 5(1):1-14.
- Herzberg, F. (1966), *Work and the Nature of Man*, Cleveland : World Pub. Co., First Edition.
- International Labour Organization (2017), *Report: Data on Unorganized Workforce*, Geneva.
- Kelly, J (1996), "Union Militancy and Social Partnership" in P. Ackers, C. Smith & P. Smith (eds.), *The New Workplace and Trade Unionism*, London: Routledge
- Lloyd, S (1986), "Understanding unionism and informality", *Journal of Human Relations*, 56 (12): 709-721.
- Lloyd, C. (2001), "What Do Employee Councils Do? The Impact of Non-union Forms of Representation on Trade Union Organization", *Industrial Relations Journal*, 32 (4): 313-27.
- McIlroy, J. (1998), "The Enduring Alliance? Trade Unions and the Making of New Labor 1994-97", *British Journal of Industrial Relations*, 36 (4): 537-64.
- McLoughlin, L. & Gourlay, S. (1994), *Enterprise without Unions: Industrial Relations in Non-Union Firm*, Buckingham: Open University Press.
- Purcell J. & Ahlstrand W. (1994), *Human Resource Management in the Multi-divisional Company*, Oxford University Press, London.
- Roy, D. (1980), *Repression and Incorporation: Fear Stuff, Sweet Stuff and Evil Stuff: Management's Defences Against Unionization*, Oxford: Blackwell.
- Sieff, L. (1990), "Unionisation and Non-unionisation in Workers' Representation", *Journal of Organizational Dynamics*", 10 (4): 451-60.
- Storey J., Cressey P., Morris T., & Williamson A. (1997), "Changing Employment in UK Banking: Case Studies", *Personal Review*, 26: 24-42.
- Terry, M. (1999), "Systems of Collective Employee Representation in Non-union Firms in the UK", *Industrial Relations Journal*, 30 (1): 16-30.
- Terry, M. (2003), "Can 'partnership' Reverse the Decline of British Trade Unions ?", *Work, Employment and Society*, 17:3: 459-72.
- Tse, K K. (1985), "Dynamics of Industrial Relations in New Era", *Journal of Employment and Management Practices*, 40 (1): 670-91.
- Upchurch, M.; Tailby, S. & Richardson, M. (2006), "Patterns and Prospects for Partnership at Work, Unpublished Report on 'Finance Co.', Employment Studies Research Unit, Bristol Business School, University of the West of England.