IMPACT OF GLOBALISATION ON MEMBERSHIP, PARTICIPATION AND INVOLVEMENT OF WORKERS IN TRADE UNIONS - An Analytical Study

ABSTRACT
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ABSTRACT

Membership and participation in Unions is one of the important basic concerns of any labour organization. Membership is considered as the constituency of a trade union participation and involvement of the members in activities refer to their interest, support, commitment and loyalty towards unions. The effectiveness of a union in respect of bargaining with management, retaining membership and protecting from internal and external threats and pressures, to a large extent, depends on the degree of participation it generates among its present and potential members. Higher the degree of participation, greater shall be the degree of union strength in order to bargain effectively with management over the workers' issues and interests. During last three decades it has been felt that there has been decline in members' interest in unions and active participation. Especially this feeling has become a little stronger after the introduction of liberalization of Indian economy and globalization. Trade unions after 1951 went on multiplying over the years and their membership too increased at
faster rate. The unrests in industrial complexes in private and public sector both also increased at faster rate during 1970s. There was a colossal loss in production due to man-days lost on account of strikes, lockouts, gheraos and other type of turmoil. However, after 1980 a little sigh of relief was felt by industrial undertakings of private and public sector both. The reasons of this change were tried to be known by all the people who were either managing the affairs in industrial complexes or were engaged in the arena of research.

Theoretical and/or based on the findings of empirical researches variety of measures have been explored to bring industrial peace in industrial undertakings. Some thinkers are of the view that the workers over the last three decades have become more work-oriented and have shown lesser interest and participation in their trade unions. Apathy of workers towards unions has been increasing much and also there has been a substantial decline in union membership. Those who are of this thinking support their argument by disclosing the fact that effective and employee – oriented HRM policies and practices of the management these days and drastic changes in the attitude of management have changed the overall perception of the workers due to which a feeling of alienation towards unions has developed more among the workers.
Other class of thinkers argues that assuming this that there has been decline in trade union membership and workers' participation is not true. This thinking is based on theoretical assumptions which can not be generalized and considered true at macro level.

This present study aimed at examining participative behaviour of union members and identification of related correlates is, therefore, of utmost significance. Very few empirical researches have so far been done on this subject in India. The present study had the following broader objectives: (i) to study the union membership, interest and participation of members in union activities; (ii) to study relationship of personal, background and organizational factors with union interest and involvement behaviour; (iii) to examine relationship between job satisfaction levels and union participation, and (iv) to study HRM policies and practices of the study units and ascertain their influence over the union participative behaviour.

The present study examined (i) the degree of unionization of workers in study units; (ii) interest level of workers in their unions; (iii) extent of workers’ participation in union activities; (iv) the variables affecting union interest and participation and (iv) HRM Policies of study
units and overall job satisfaction level prevailing among the workers of study samples.

Keeping in view the objectives of the study, following hypotheses were developed:

(1) Interest and participation of workers in unions and their age are independent variables.

(2) Length of service of the workers and their interest and participation in unions are not the variables associated with each other.

(3) The interest of the workers in their unions and their participative behaviour are not associated with: (a) marital status of the workers and (b) number of dependents.

(4) Level of education prevailing among workers and their interest and participation in unions are independent variables.

(5) Monthly remuneration being received by the workers does not have any substantial influence in determining their interest and participation in unions.

(6) The workers hailing from rural background are generally have higher interest and participation in unions in comparison to urban workers.
(7) HRM policies and practices of the company and prevailing job satisfaction levels among workers are not associated with each other.

The study was conducted in two industrial organizations—one large unit of public sector and second, a medium–sized multinational company. The unit of public sector hereinafter shall be referred to as Unit A and the multinational public company as Unit B.

Two samples of 189 and 99 workers were selected from Unit A and Unit B respectively on the basis of stratified random sampling method. Two questionnaires I and II (as shown in Annexure A & B) were designed to collect the required information and data for the study.

In the study, eight measures had been used to examine membership in union activities. Extent of participation was known on five-point scale. In order to know the interest of workers in unions, responses were scored on five-point scale. Three types of factors (treated as independent variables) were used to explain union interest and participation: (a) Personal and background factors-age, marital status, number of dependents, education and rural/urban upbringing; (b) job factors such as length of service, salary, job
satisfaction and (c) organizational factors i.e. human resource management policies and practices.

The study used questionnaires, interview, observation and archival methods. Related information and data on dependent and independent variables were collected through personal interviews on work-sites and using well structured–questionnaires. Many of the respondents filled up the questionnaires themselves whereas some were filled by the investigator. Data was analyzed using averages, percentage and Chi-square Test.

The thesis has been divided into following Seven Chapters:

(1) In First Chapter of the thesis, problem, objectives, hypothesis, methodology had been discussed. Beside this, review of the studies conducted in the field had also been discussed.

(2) Second Chapter incorporated the brief profile of the study units including the existing status of the unions.

(3) In Third Chapter, the classification of respondents of two study samples was done on the basis of age, marital status, number of dependents, experience, education, background etc.
(4) The Fourth Chapter of the thesis has been devoted to study HRM policies and practices prevailing in sample units and job satisfaction level among the respondents.

(5) The Fifth Chapter discussed the workers’ interest in unions and their participation and involvement in different union activities.

(6) The data obtained had been analysed in Sixth Chapter, inferences were drawn and the hypotheses formulated were tested.

(7) In last Chapter, the summary of the all chapters was given along with practical usefulness and implications of the study.

**Findings of the Study were as follows:**

(1) The extent of unionization, membership and awareness among the respondents was known through first and second question included in Employee-Questionnaire as shown in Annexure-A. In Unit A, and B all workers, who comprised study samples were union members.

(2) Majority of workers in Unit A i.e. 91% were above the age of 34 years. So middle and old age workers were higher in percentage in the study sample. In Unit B also 87% workers were above 34 years of age.
So far as number of dependents was concerned, it was observed in Unit A and B both that larger numbers of workers were those who had larger number of dependents.

Impact of education was also studied and it was found that in Unit A 53.4% workers were such who were having High School education. In Unit B also 64.5% workers were having High School level education.

The workers were classified on the basis of salary. It was observed that in Unit A, 53% sample workers were in highest salary bracket i.e. Rs.5,000/- and above. But in Unit B more than 90% workers were getting per month salary more than Rs.5000/-. 

So far as the rural and urban background was concerned, it was observed than nearly 49% workers of Unit A hailed from urban background and 51% from rural background. But in Unit B, 62% workers were from rural background whereas 38% had urban upbringing.

With regard to awareness of sample workers about the names of the president and secretary of their unions, 73% to 78% respondents of Unit A were well aware about the names of the office-bearers of their
union(s). About 95% respondents of Unit B sample also knew the names of their union president and secretary.

(8) The workers when asked to identify most important functions of unions, it was found that 82% to 96% sample workers of both the units considered the following functions on priority: (1) to improve economic conditions and act as representative in collective bargaining, (ii) to defend interest of workers and get fair wages and treatment, (iii) to obtain better working conditions, facilities and help to retain jobs, and (iv) to bring unity among workers.

Worker's interest in unions was examined on five point scale. The union members were classified into following interest groups- low, medium and high level. High and medium level interest was shown by 69% members in Unit A. Low level interest was shown by 31% members. In case of Unit B, high and medium level interest was shown by 93% workers whereas low level interest was reported by only 7% workers.

(i) Mostly the workers of both the units were above 34 years in age who had shown high level union interest.
(ii) The workers in both the units who had higher length of service were also found in majority to have shown medium and high level interest in their unions. It showed that as the age and stability in employment increased the interest of workers in their unions also increased.

(iii) In case of number of dependents, it was observed that 99% workers in Unit A and 89% in Unit B had medium and high level interest in their unions who were having larger number of dependents. But the workers having lesser economic burden of dependents had also shown same level interest in unions. Thus, it can be said that the number of dependents did have substantial bearing in determining the union interest.

(iv) When relationship of educational level with union interest was examined, it was found that those having High School and above qualification were 73% in Unit A and 87% in Unit B who were having medium and high level interest in unions.

(v) Further, the respondents in majority who were getting higher salary were also found having high level interest in their unions. However, the respondents in low salary were also found to have shown medium and high level interest in their unions. Thus, the workers whether they received
low or high salary were both found to have same level of interest in their unions.

(vi) While examining union interest of the rural and urban background workers, the data disclosed that the respondents in both the units, hailing from rural background were observed to have shown more interest in their unions in comparison to their counterparts who hailed from urban background.

Thus from the above discussion it can be concluded that majority of workers had interest in their unions irrespective of their age, experience, educational level, number of dependents, salary etc. But it can also be assumed that the workers who come from rural areas to serve in urban settings feel highly-insecure and therefore, they try to get shelter of the unions for their security and interest.

(vii) With regard to HRM policies and practices majority of workers in Unit A were dissatisfied about the training facilities, promotion policy, welfare and social security, grievance handling procedure and job security measures adopted by their company. However, about the working conditions, attitude of management and prevailing reward system nearly 50% workers were found to be dissatisfied. It was disclosed by the sample
respondents that social security and welfare facilities were not up to mark and the grievances of the workers were not redressed in time.

In Unit B, the respondents in majority showed satisfaction pertaining to HRM policies and practices. Thus, it can be concluded that the satisfaction level among the workers was higher in the employees of Unit B in comparison to Unit A. It was because of the reason that the HRM policies and practices in Unit B were comparatively better.

(viii) **Overall job satisfaction** was measured and it was found that nearly 53% sample respondents of Unit A had shown overall satisfaction on their jobs. In Unit B about 71% workers had recorded their satisfaction. Thus, satisfaction level was higher in case of Unit B. If it is said that overall job satisfaction is the result of the perception of workers about the HRM policies and practices, then on the basis of the findings of Unit B it can be held that HRM policies and job satisfaction levels prevailing in workers were found to be positively associated. In case of Unit B where majority of workers were found to be dissatisfied pertaining to various aspects of man-management policies, clear conclusions could be drawn regarding the extent of influence of HRM policies in determining overall job satisfaction.
So job satisfaction can be said to be an "end state feeling". Many Indian studies like Ganguli (1954), Lahiri and Srivastava (1967), Dayal and Saiyadain (1970), Bhattacharya (1972), Pestonjee & Basu (1972), Pareek & Keshto (1981) and Misra (1983) had observed that workers in majority gave priority to adequate earnings, responsibility, achievement and job itself, interpersonal relations, promotional opportunities and job security. Undoubtedly, a person who comes on a job needs adequate money package to meet his economic needs and under the state of inflationary conditions and increasing liability of dependents attaches highest weightage to money. Findings of Herzberg and others (1959) put the salary in 'hygiene factors'. According to this study, salary if not given commensurating employees' skill, knowledge and experience, can create a dissatisfaction, but if given above a certain level, it can not be a motivator. This study put work itself, opportunities of advancement and growth, interpersonal relations in the set of motivators. The findings of study can not be considered untrue but the economic and employment conditions prevailing in India are different from the well developed economies of the world. In India workers under prevailing conditions of acute unemployment agree to work on the jobs irrespective of their likings and aptitude. They attach highest priority to remuneration and job security. These job-related and organizational factors
have their substantial impact over job satisfaction level of the employees in general but other personal factors such as their upbringing, economic background, family life and perceptions of internal and external variables are considered very significant in determining overall job satisfaction level.

**Correlates of Membership Participation**

(i) **Age and Experience**: Supporting the contention of the ‘stake in job’ theorists, the study reported that age and duration of serving in the job are independent-variables. The workers who were either too young and too old showed considerably same degree of union interest and participation. It was found in case of the units that age and interest in unions were having no relationship with each other and it was observed in case of participation as well. In this study it was also found that age and length of service were hardly having any relationship with interest and participation of workers in unions. This observation does not keep in line with the finding of Arya (1980), Canlon and Gallagher (1987), Glick et al. (1977) and Sharma (1987), who found that higher the age and experience in industrial life, the greater was the level of interest and involvement of workers in their unions.

(ii) **Education**: The level of education of union members is expected to have a decisive influence on the degree of union participation. In this study,
this variable was found not to influence union interest and participation. The relationship between educational level and degree of interest was found statistically (P<0.05) accepted in both the units.

With regard to the influence of education on union participation, there prevail three conflicting hypothesis: (1) that education leads to more questioning of attitudes and less willingness to accept arbitrary decisions, hence leading to union participation; (2) that because of its positive effects on promotion prospects, a high level of education lowers commitment to unionism and (3) that there is no relationship between education and unionism (Bain et al. 1973). In the present analysis, education does not seem to have clear relationship with union interest and participation. Anderson (1979), Arya (1980) and Poole et al. (1983) also found education having no influence on union interest and involvement.

(iii) **Number of Dependents**: It is common belief that after marriage there comes more social and economic burden on a person. With the increase in family size, the workers’ dependence on the job increases. One wishes to make his job more pleasant and favorable, which he can do through the support of the union. It was hypothesized, that members’ family burden is not associated with the interest and participation in union activities. In other words these variables are independent. The findings of the
study revealed that members whether having lesser or higher dependents no significant relationship with union interest and participation could be explored. That means the results showed that union participation and number of dependents are independent variables. But in case of the participation variable the hypothesis was accepted. The hypothesis was accepted in Unit B in both the cases of interest and participation. On the whole it was inferred that the number of dependents was not a decisive factor. This observation finds further support from the findings of *Mattoo and Gani (1987)* and *Poole et al. (1983).*

**(iv) Rural-urban Upbringing :** The rural-urban background and membership participation were not statistically significant. A notable difference was revealed in the distribution of the degree of participation between the rural and urban workers. Rural workers were higher in number in both the units. It was hypothesized that background and interest and participation in unions are independent variables. In Unit A it was observed that 89% respondents of rural background were having medium and high level interest in their unions. A little lesser was the percentage of those who were having same level of participation. 77% urban workers as opposed to rural upbringing were found to have shown medium and high level interest in unions but union participation was exhibited by little lesser percentage. In
Unit B also higher was the percentage of rural workers who had shown keen interest in their union but participation in unions was a little lesser. Nearly same was the observation of urban workers as in case of Unit B. The interest of urban workers in their unions was lesser in comparison to rural workers. Thus the hypothesis that rural workers are more union-oriented and involve much in union activities is held true. Therefore, background and interest and participation are not independent variables. This might well explain why the workers with rural background have more interest in unions and high level participation in union activities. The reasons could be that the rural workers want more security and might be having some fear of losing job in their mind. The urban workers are considered a little bit more educated and have more awareness about the things around them.

(v) Monthly remuneration: Money plays a very significant role in keeping the workers happier on their jobs. This has been a most researched factor and the western researches have also shown that salary has been viewed as 6th or 7th important factor in job satisfaction. However, Herzberg and others (1959) placed money in the set of ‘hygiene’ factors explaining that salary below a certain level can generate dissatisfaction but can not be a motivator. So far as monthly remuneration is concerned, 81% to 86% workers of Unit A were found to have shown their medium and high level
interest in unions. Much was not deviation in percentage of workers whether they were getting low or high wages. Participation percentage was low but not with much significant deviation. In Unit B as well interest and participation was of the same level in all three brackets of monthly remuneration. The hypothesis formulated was that the workers getting lower wages should have more interest and participation in unions did not hold true. The monthly remuneration whether low or high did not seem to have played a significant decisive role in determining union interest and participation. However, other researchers e.g. Duncan and Leigh (1980); Pool et al. (1983) and Sahay et al. (1988) have identified dissatisfaction with pay as a good predictor of union involvement among a wide ranges of occupational groups.

(vi) **HRM Policies and Job Satisfaction**: Empirical evidence strongly suggest that job dissatisfaction motivates members to participate more in union activities Berger et al. 1983; Block and Premack (1983); Fiorito and Gallagher (1986); Odewahn and Petty (1980). Falling in line with these findings, it was hypothesized that active participation will record lower levels of job satisfaction than the inactive ones. The findings recorded in this study confirm this hypothesis. One possible explanation of this finding is that if a member is dissatisfied with the job, he shall be having more
leanings towards the unions which can improve his job conditions. If the union is instrumental in improving various aspects of the jobs, the workers would develop more favorable attitude towards them. It is also generally assumed that better the human resource management policies and the practices, positive shall be the attitudes of the workers towards management and the company. Workers-oriented HRM policies and fair practices have positive impact on the job satisfaction. In this study it was found that the HRM policies of Unit B were comparatively more satisfactory than Unit A, so the workers in majority of this unit were more satisfied.

The formulated hypotheses were tested during the course of investigation which are being discussed as follows:

(i) With regard to age following were the observations. In Unit A an association was not found between age and union participation variables. In case of Unit B sample also observations were same.

The relationship between the said variables was found by using chi-square test at 0.5 significance level with 4 degrees of freedom. The hypothesis was accepted and hence mutual relationship between the variables was not observed. However,
statistics revealed that the interest of the respondents was not fully converted into union participation.

(ii) The impact of experience on the union interest and participation was studied. It was observed that with the increase in experience percentage of workers showing medium and high level interest in unions and their participation did not reveal much deviation. This hypothesis was accepted in case of the workers of both the units. The hypothesis was formulated as: the experience and union interest and participation are independent variables. On the basis of Chi-square test, the hypothesis was accepted in case of both study samples. In other words, the results discarded this assumption. Thus, the said variables can not be considered as to have no mutual association.

(iii) While exploring relationship between number of dependents and union interest and participation, the results of both the units disclosed the fact that interests in unions was not associated with number of dependents. Same was observation in case of Unit A sample with regard to participation but findings of Unit
B were also same. So number of dependents and interest and participation are independent variables.

A common belief prevails that when there is a heavy socio-economic burden on a person, his dependence on job increases more. He tries to make his job pleasant and favourable for which he seeks help and favour of the union. In line with this thinking, it is expected that his interest and participation should have an association with the number of dependents. Contrary to this, the results of the study reveal that number of dependents whether lesser or higher does not have substantial bearing on union interest and participation.

So this assumption can not be held true that with increase in number of dependents, the leanings and interest of the workers should be towards unions and they should involve more in union activities.

(iv) With regard to union interest and participation in relation to educational levels, it was found in both the study samples that educational qualification level did not have much bearing on the determination of interest and involvement in unions.
When relationship of educational levels with union interest and participation was explored by applying chi-square ($\chi^2$) test. The hypothesis formulated was: 'level of education prevailing among workers and their interest and participation in unions are independent variables' was accepted in case of both the units. So the level of interest and participation of workers in their unions is not influenced by their educational level.

(v) Next variable on the basis of which the union interest and participation were studied was monthly remuneration being received by the respondents of both samples. It was assumed that: 'monthly remuneration being received by the workers and their interest and participation in unions are independent variables'. In case of both the units, the hypothesis was accepted. That means the remuneration does not seem to have its substantial influence in determining the interest and involvement of workers in unions. The statistics given in Table No.6.05 (Showing Low, Medium and High Level Interest and Participation in unions in Three Monthly Remuneration Classes) reveals that as the remuneration of the respondents increased there was no substantial change in the percentage of
the respondents showing lesser or higher degree of interest.
Same was the observation pertaining to their involvement in union activities.

(vi) The factor of background was studied in relation to union interest and involvement and it was found that in case of Unit A, higher was the percentage of the rural workers and also higher was their interest in unions in comparison to urban respondents. Nearly same was the degree of participation of rural workers but in case of workers who hailed from urban areas, their percentage declined with regard to participation in unions.

So far as Unit B sample was concerned, again the number of rural workers was higher than urban workers and also the interest and participation of rural workers was higher in comparison to urban workers. So the hypothesis that rural workers have more leanings towards unions and participation more in union activities was held true.

(vii) Another hypothesis developed was that better HRM policies and practices have substantial bearing to generate positive
attitudes of workers towards management and the company and provide more job satisfaction. Therefore, it would decrease the degree of interest and participation of workers in their unions. In this study the HRM policies of Unit B were found to be better and hence job satisfaction level among the workers of this unit was higher and also the inclination of the workers towards unions was lesser in comparison to their counterparts, so the hypothesis held true.

**Implications of the Study:**

The study recorded a higher degree of unionization among the workers of the both units. The young, old, educated, illiterate and having less or more dependents, getting lower or higher salary were all equally having interest in unions. The unit where HRM policies and practices are not sound and fair, more dissatisfaction lies among the workers. While active participation in union affairs may provide workers considerable social satisfaction and recognition among their fellow-workers and help in satisfying their self-actualization needs, but too much strengthening of informal groups may otherwise have deep repercussions for industrial relations in general and trade unions in particular.
Sufficient empirical support has been given to the assumption that attitudes of workers play an important role in determining union participation. This conclusion is based on a very simple reason that the members will not participate actively in union activities unless they have a certain level of union interest. In general, membership participation turns out to higher among those unionists who are comparatively young, experienced, brought up in rural environment and earning less wages. Members' job satisfaction level also exert a substantial influence on member participation.

The findings have practical implication for union leaders who make efforts for generating union participation. The study also observed that anti-management sentiments alone did not generate membership participation. It could be true in situations of trouble and tension.

One specific task which needs to be given greater emphasis is the structure orientation program for new members explaining why the unions and for what objectives. More information to members should be given about the benefits and protections offered by the unions. In this context, the union steward, being the representative of the union and the link between union members and its officers, has an important role to play.
In order to increase members' participation in unions to a great extent depends on leaders and their loyalty and commitment towards the workers' causes. Outside leadership can increase the number of members in unions but can not sustain long term participation of workers. The traditional measures of participation i.e. attendance of members in unions’ offices and their involvement in union elections can not be considered as correct indices of judging workers' interest in unions. In order to establish a bond among members of the unions, the union's leadership would have to devote more time and efforts to improve workers' quality of work life.

There is need to discourage outside leadership, generate confidence in members, change the attitude of managers and managees towards each other, eliminate the political intervention, make the workers to understand the role and functions of unions and formulate and implement worker-oriented policies which can discourage multi-unions, self-centered union leadership and minimize the friction between management and workers.

The result does not reveal any inherent friction between workers and management and if the management encourages social interaction among the workers, adopts a paternalistic approach, provides conditions to improve their economic, socio-psychological and physical conditions, the workers
may maintain a favourable attitude towards management. There is, however, a need to bring about a change in management attitudes and more important in management practices, particularly in HRM policies and practices. Important task of management is to win over the confidence of workers by changing their attitude and perception. Presence of unions can not considered bad from the point of view of management and can not be eliminated in democratic settings but their positive contribution can be ensured by concentrating more on workers-oriented policies and practices. The union leaders and the management both can generate a congenial environment in order to provide maximum possible job satisfaction to employees and accomplish organization goals.

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