

Is Labour Relations Dependent on Education, Industrial Relations Education and Experience of Union Officials? An Empirical Study on Ten Manufacturing Firms in Sri Lanka

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Abstract

It is theoretically argued that Labour Relations (LR) is dependent upon general education of union officials, union officials' industrial relations education and experience of union officials. An empirical study was conducted to test whether these three variables were significantly associated with LR in manufacturing firms in Sri Lanka. The study involved 101 union officials who were selected from 10 manufacturing firms, which were unionised in Sri Lanka. The results indicated that all the three variables or factors were not associated with LR significantly suggesting that LR is independent of education, industrial relations education and experience of union officials in manufacturing firms in Sri Lanka. An important implication of the findings is that there is a need for a separate systematic attempt to improve union officials' competence to make L. R. better.

Keywords: *Labour relations, Education, Industrial relations*

Introduction

One of the most important productivity promoting factors for public sector, private sector as well as small-scale industry is LR (Suri, 1995). It is a determinant of organizational effectiveness (Alam, 1992; Wagar, 1997; National Labor Management Association, USA, 1997; Wasilisin, 1998; Harris, 2000). Writers namely Singh, 1992; Miyai, 1995; Mills, 1998; have viewed LR as the *sine qua non* of economic development of a nation in a competitive market.

There are theoretical explanations or arguments (Davar, 1976; Akram, 1992; Mei-Hui, 1992; Rao & Narayana, 1992; William, 1992; Youg-Nam, 1992; Tripathi, 1992; Armstrong, 1999) in respect of the association between LR and the variables such as general education, industrial relations education and experience of union officials. It seems that there is a gap in the empirical knowledge available, in particular, in Sri Lankan context, about testing the dependence of LR on

general education, industrial relations education and experience of union officials. In specific the following research problems were addressed in this research paper:

1. Does LR depend on union officials' general education in manufacturing sector in Sri Lanka?
2. Does LR depend on industrial relations education of union officials in manufacturing sector?
3. Does LR depend on experience of union officials in manufacturing sector?

The objective of the paper is to investigate whether LR depends on education, industrial relations education and experience of union officials to a significant extent in manufacturing sector in Sri Lanka.

Although there are several terms associated with LR such as union-management relations, labour-management relations, employee relations and employment relations, for this study the term '**Labour Relations**' is used.

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The working definition of LR is as follows:

“Union officials’ perceived degree of how well their unions and managers in a firm feel and behave towards each other.”

Unions referred to only labour unions (unions of workers) and managers included top, middle and first line managers in the firm. The above working definition of LR comprises two distinct aspects: feelings of labour unions and managers towards each other and behaviour of labour unions and managers towards each other. These aspects, the first aspect is attitudinal in nature and the later is more behavioural, reflect the realities of LR, given that both aspects are required to examine LR.

Research Framework

General Education refers to the knowledge, skills and attitudes that a union official has gained through formal instruction at school/college/university. Union officials who have a good education and experience are able to ascertain that unions and management are interrelated and interdependent as well, and success and progress of success of both parties cannot be achieved without co-operation, understanding and partnership between them. Educated union officials more likely interact with management collaboratively (Davar, 1976). Hence, these arguments lead to a hypothesis as follows:

Hypothesis 1: The education level of union officials and LR are significantly dependent.

Education of Industrial Relations is different from the variable of general

education. The variable refers to a specific education a union officer has received in relation to the subject of industrial relations. Trade union officials who have studied industrial relations more likely understand the significance of LR and needs of various personnel management policies, procedures and rules for achievement of organization’s goals and workers’ goals. Trade union officials who have a good education of industrial relations more likely interact with members of management intelligently so as to maintain good relations between the both parties. Thus, second hypothesis is:

Hypothesis 2: Education of industrial relations and LR are significantly associated.

Experience of Union Officials was defined as the degree of understanding a union officer has acquired in relation to union activities through actual involvement. If there is a strong and enlightened group of union officials it helps to promote the status of workers without jeopardizing the interests of the management. Highly experienced and suitably educated union officials are in a position of understanding advantages of harmonious LR to both workers and management, disadvantages of division and dangers of multiplicity. They become receptive to dialogue on productivity and to show an adequate interest (in trading off increases in efficiency for higher benefits) in improving productivity. Enlightened leadership will have the willingness to participate and cooperate in managing the organization for success and progress of success (Tripathi, 1992). They will be able to inform trade union members sufficiently about what is expected of them and how they should perform. Hence, the following hypothesis:

Hypothesis 3: LR significantly depends on union officials' experience.

Methods

Study Setting, Design and Sampling

The researcher was interested in explaining whether LR depends on the three factors considered, rather than establishing correlations or definite cause→effect relationships. Hence, the type of investigation of this study was neither correlational nor causal. The study was cross-sectional in time horizon because the data for this study was collected at a single point in time (Zikmund, 1997; Sekaran, 1999). This was an appropriate strategy because the main focus of the study was testing whether LR and general education, industrial relations education and experience of union officials are associated with or not in the manufacturing sector. The survey was carried out in 10 unionised manufacturing firms in Sri Lanka which were selected randomly from list of quoted Companies of the Colombo Stock Exchange Hand Book 1998. Unit of analysis was at individual level: the union official. There were approximately 120 union officials in all the 10-firms. It was possible to collect 101 questionnaires from the 10-manufacturing firms.

Measures

LR: The perceived degree of LR in a firm was operationalised into five dimensions i.e., disputes, understanding, co-operation, partnership (Beach, 1985; Tripathi, 1992; Pinto, 1995; Fret & Walsh, 1998) and grievances (Steel, et al., 1992; Nkomo, et al., 1996; Bender & Sloane, 1998). Indicators/elements used to measure these dimensions with relevant sources from which they were adapted are: (1) Disputes: Number and

duration of Strikes, Work-to-rule, Token strike, Overtime ban, Picketing, Go-slow and Running sore strike (Silva, 1978; Ivanovic, 1988; Tripathi, 1992); (2) Understanding: availability of collective agreement and number of violations of the collective agreement (Glueck, 1978; Ivanovic, 1988); (3) Co-operation: degree of understanding goals of each party, degree of communicating clearly the goals and degree of fairness of the goals to tap the element of recognising mutual goals, and degree of working together to achieve organizational goals/targets, degree of helping willingly, degree of feeling like to cooperate, degree of working collaboratively due to fear and degree of opposition to measure the element of working together (Hanami, 1981; Tripathi, 1991; Gani & Ahmad, 1995); (4) Partnership(Workers' participation): degree of encouraging to give suggestions and degree of allowing to participate in making decisions which affect workers (Jackson and Schuler, 2000); and (5) Grievances: amount of grievances presented for settlement, amount of grievances settled and amount of grievances settled for grievant's satisfaction to measure the element of explicit grievances, and degree of suffering silently due to non-presented grievances to measure the element of implicit grievances.

An instrument containing 21 questions items that tap the dimensions and elements of LR was developed and three sample statements are (1) During the last 3 years you had more than six strikes; (2) When the management asks for union's help, the union is ready to help willingly; and (3) Management has to work collaboratively with the union due to the fear of union. The responses to the questions were elicited on a 7-point Likert type of scale of 'strongly agree, agree, slightly agree,

neither agree nor disagree, slightly disagree, disagree, strongly disagree'. Weightages or values of 7,6,5,4,3,2 and 1 were given to these responses taking the direction of the question items (whether they were negative or positive as far as LR was concerned) into account. As the instrument developed to measure LR has interval scale it was converted into a continuum of unfavourable, mediocre and favourable LR. Weightages of 1,2 and 3 were regarded as unfavourable, weightage of 4 was regarded as mediocre and weightages of 5,6,and 7 were as favourable.

General Education: This independent variable was measured through the use of one question, which measured it on four levels. The levels are: (1) first level: up to O/L; (2) second level: O/L passed; (3) third level: A/L passed; and (4) fourth level: Diploma/Degree.

Education of Industrial Relations: The variable was measured by using one question, which asked for whether the respondent had studied formally the subject of industrial relations. Hence, the responses were elicited on a dichotomous scale of "yes" or "no" and weightages of 1 and 0 were given respectively.

Experience of Union Officials: This variable was measured through the use of one question that rated it on three-point scale. The scales were (1) first level: less than 2 years; (2) second level: more than 2 years but less than 5 years; and (3) third level: more than 5 years. Weightages of 1, 2, and 3 were given respectively.

Reliability and Validity

Validity represents the extent to which an instrument measures what it is supposed to measure (Kothari, 1995). In constructing the questionnaire a

serious attempt was made by the researcher to consider what the phenomena were being studied, what the research objectives were, what the hypotheses formulated were and what the indicators which had been devised for variables were. Consequently the questionnaire provided an adequate coverage of the phenomenon of LR and the three variables. This ensured content validity of the questionnaire.

A measuring instrument is reliable if it provides consistent results (Kothari, 1995). The test-retest method was used for estimating reliability of questionnaire. With test-retest, reliability is obtained by administering the same people on two different occasions (Bernardin and Russell, 1993). According to the nature of question items, a two-week time interval between administrations was chosen to minimise the memory effects and the likelihood of true rating changes. The Pearson Product-Moment correlation was used to compute test-retest reliability. Test-retest data were collected from 14 union officials. Convenient sampling was used to select respondents for the pre-testing. The test-retest co-efficient was 0.968 suggesting that the questionnaire possesses an adequate degree of reliability. The Cronbach's coefficient alpha was used to get the interitem consistency reliability of the instrument developed to measure LR. The Cronbach's alpha was .8870 suggesting a high interitem reliability.

Techniques of Data Analysis

Data of the variables of the study were considered as categorical. Hence Chi-square test as a non-parametric test was used to test the hypotheses. As Chi-square test was a non-parametric test there was no need to explore the data for normality, linearity and lack of multicollinearity.

Results

How the union officials have responded in the categories of the

variable of LR is shown in the following table:

Table: 1 Frequency Distribution of LR

Degree of LR	Number
Unfavourable	11
Mediocre	86
Favourable	4
Total	101

According to the table, 86 union officials have indicated LR as mediocre. Only 4 officials have indicated LR as favourable. LR was

unfavourable from the perception of 11 union officials only. Table: 2 gives relevant descriptive statistics relating to LR from union officials' perception.

Table: 2 Relevant Descriptive Statistics of LR

Measure	Value
Mean	67.416
Median	68
Standard Deviation	7.831
Range	
Minimum	39
Maximum	87
Q ₁	63
Q ₂	73

Calculated median was 68, which falls within the mediocre level of the scales continuum developed to measure degree of LR from the union officials' perception. Inter quartile range was 63 to 73 or 10, which is a relative low value. Therefore the median is adequate to summarize the distribution of data suggesting that LR from the perception of union officials is neither favourable nor unfavourable regarding

the ten manufacturing firms studied for this research.

There were four different levels of trade union officials' general education for which table 6:3 shows how union officials have responded.

Table: 3 Frequency Distribution of General Education of Officials

Level	Number
Upto O/L	47
O/L passed	39
A/L passed	13
Diploma	02
Total	101

According to the table, 47 union officials had education up to G.C.E. (Ordinary Level). While 39 officials had passed O/L, 13 officials had

passed A/L. Only two officials had education at the Diploma level.

Following table shows how trade union officials have responded to the two categories of the variable of education of industrial relations:

Table: 4 Frequency Distribution of Education of Industrial Relations

Category	Number
Not Studied Formally	78
Studied formally	23
Total	101

78 union officials have not studied industrial relations formally. Only 23 out of 101 officials have studied it formally. Thus, more than $\frac{3}{4}$ union officials had no formal education in respect of industrial relations.

There were three levels of union officials' experience explored. Following table indicates the frequency distribution of the variable of education of union officials:

Table: 5 Frequency Distribution of Experience of Union Officials

Level	Number
Less than 2 years	20
More than 2 years but less than 5 years	40
More than 5 years	41
Total	101

According to the above table, 41 union officials had experience of more than 5 years as union officials. 40 officials had experience of more than 2 years but less than 5 years as union officials.

Only 20 officials had experience of less than 2 years. Thus many union officials are more experienced people about union activities.

The results of Chi-Square analysis used to test all the null hypotheses are resented in table : 6.

Table: 6 Chi-Square Test Results

Dependence	Chi-Square	Degrees of Freedom	Critical/Table Value
LR and General Education	1.257	4	9.4877
LR and Education of Industrial Relations	3.272	2	5.991
LR and Experience	4.685	4	9.4877

As can be seen in table: 6, Chi-Square values for all the variables were less than critical values at the relevant degrees of freedom. The test results do not support associations between general education, education of industrial relations and experience of union officials and LR. Thus, hypotheses formulated for this study cannot be accepted, as there are no statistical evidences to reject the null hypotheses. As far as this study is concerned, it has not yet found evidence to say that LR significantly depends on general education of union officials, union officials' education of industrial relations and experience of union officials.

Discussion

The study results do not show a significant dependence between general education of union officials and LR. It was expected (when formulating H_1) that union officials who had a good education would be able to behave positively ascertaining that union and management are interrelated and interdependent as well, and success and progress of success of both parties cannot be achieved without co-operation, understanding and partnership between them.

The results do not confirm this expectation suggesting that the level of general education union officials have at G.C.E. (O/L) or A/L does not help to develop an understanding and then behaviour that will enhance LR. It was found that majority of union officials had up to O/L and O/L passed education and only two union officials had education at the diploma level. It suggests that G.C.E. (O/L) education or A/L education has nothing to do with LR and therefore, union officials are to be educated or trained through a separate programme.

Surprisingly, no significant association was found between education of Industrial Relations (IR) and LR. This means that officials' education of IR is independent of LR suggesting that the variable has nothing to do with LR. It may be the reason that officials have not studied IR really or it may be that officials do not practice what they have learnt or have been taught. Or there may be errors associated with teaching of IR (with content, objectives, methods, quality and quantity etc.). From the univariate analysis of data of union officials' education of IR it was found that majority of union officials have not studied IR formally.

This may be another reason for the finding that LR does not depend on union officials' education of IR in the firms studied.

No significant dependence was found between the degree of experience of union officials and degree of LR. It was found that majority of union officials had more than 2 years' experience about union activities. However it was found to be independent of LR. This finding implies that degree of understanding union officials have acquired in relation to union activities through actual involvement does not play a significant role in shaping LR in manufacturing sector. This finding may indicate that what union officials have obtained in terms of experience of union activities is not adequate to enhance LR. It may be the reason that union officials perform traditional union activities by following what their previous colleagues have done without real understanding of LR.

Conclusion

Descriptive analysis revealed that only two officials had education at the Diploma level while majority of them had up to O/L and O/L passed education; Majority of union officials have not studied industrial relations / personnel management formally; and Majority of union officials have more than 2 years' experience about union activities. Bivariate analysis revealed that LR was significantly independent of general education of union officials, officials' education of industrial relations and experience of union officials. In other words LR does not depend on general education of union officials, officials' education of industrial relations and experience of union officials.

As these variables were not significantly associated with LR a firm that wishes to enhance LR has to concentrate on other variables. An important implication of the findings is that there is a need for a separate systematic attempt to improve union officials' competence to enhance LR. Through a separate programme initiated by the management or the government or the both jointly that is designed to develop union officials' knowledge, skills and attitudes of the art of living together and working collaboratively for the well-being of all concerned-unions, workers, management, and owners it is believed that LR at firm level likely enhances.

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