

DISSERTATIONES RERUM OECONOMICARUM
UNIVERSITATIS TARTUENSIS

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EPP KALLASTE

Employee workplace representation:
an analysis of selected determinants



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LIST OF ORIGINAL PUBLICATIONS

I Monographs and chapters in monographs

1. Woolfson, C., **Kallaste, E.**, Berzins, J. (2010) 'Industrial relations and social dialogue in the Baltic states: crisis, conflict and compromise' in S. Contrepois, V. Delteil, P. Dieuaid and S. Jefferys (Eds.) *Globalising Employment Relations? Multinational Corporations and Central and Eastern European transitions*, London: Palgrave MacMillan, forthcoming.
2. Woolfson, C., Calite, D., **Kallaste, E.** (2009). Employee 'voice' and Working Environment in the New Member States: Translating Policy into Practice in the Baltic States. Walters, D.; Nichols, T. (Eds.). *Workplace Health and Safety – International Perspectives on Worker Representation* (134–153). London: Palgrave Macmillan Ltd.
3. **Kallaste, E.**, Jaakson, K. (2005) *Töötajate kaasamine Eestis: juhtumiuuringutel põhinev analüüs*. Tallinn: Eesti Tööandjate Keskkliit, Poliitikauuringute Keskus PRAXIS (in Estonian).
4. Lepa, R., Illing, E., Kasemets, A., Lepp, Ü., **Kallaste, E.** (2004) *Kaasamine otsustetegemise protsessi*. Tallinn: Poliitikauuringute Keskus PRAXIS (in Estonian).

II Articles in international journals

1. Jaakson, K., **Kallaste, E.** (2010, forthcoming) Beyond flexibility: reallocation of responsibilities in the case of telework. *New Technology Work and Employment*, Vol. 25, No 2.
2. **Kallaste, E.**, Woolfson, C. (2009). The Paradox of Post-Communist Trade Unionism: 'You Can't Want What You Can't Imagine'. *The Economic and Labour Relations Review*, 20(1), 93–109.
3. **Kallaste, E.**, Jaakson, K., Eamets, R. (2008). Two representatives but no representation: cases from Estonia. *Employee Relations*, 30(1), 86–97.
4. Woolfson, C., Calite, D., **Kallaste, E.** (2008). Employee 'voice' and working environment in post-communist New Member States: an empirical analysis of Estonia, Latvia and Lithuania. *Industrial Relations Journal*, 39(4), 314–334.
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III Other research articles

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1. **Kallaste, E.**, Jaakson, K., Eamets, R. (2007). Two representatives but no representation – analysis of two cases from Estonia. Tartu: Tartu University Press. *Faculty of Economics and Business Administration Working Paper Series*, No. 48.
2. Võrk, A., Priinits, M., **Kallaste, E.** (2004) Tervishoiutöötajate migratsioon Eestist: migratsiooni potentsiaalne suurus, mõju tervishoiutöötajate vajadusele ja poliitikavalikud. *Poliitikauuringute Keskus PRAXIS Toimetised* No. 18.
3. Võrk, A., Leetmaa, R., **Kallaste, E.** (2004) Vanemaeline tööjõud tööturul ja tööelus. *Poliitikauuringute Keskus PRAXIS Toimetised* No. 19.
4. **Kallaste, E.**, Philips, K. (2004) Eesti tööelise elanikkonna töötamise potentsiaal Euroopa Liidu riikides. *Poliitikauuringute Keskus PRAXIS Toimetised* No. 13.
5. **Kallaste, E.** (2003). National social dialogue on the formulation, implementation and monitoring of employment policies: country study of Estonia. *PRAXIS Centre for Policy Studies Working Papers* No. 11,
6. Anspal, S., **Kallaste, E.** (2003) Vabariigi Valitsuse ja TALO pikaajalise kokkuleppe eeltingimuste ja objekti kaardistamine. *Poliitikauuringute Keskus PRAXIS Toimetised* No. 2.
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8. Arro, R., Eamets, R., Järve, J., **Kallaste, E.**, Philips, K. (2001). Labour Market Flexibility and Employment Security: Estonia. *Employment Paper 2001/25*, Geneva: International Labour Office.

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1. Anspal, S., **Kallaste, E.** (2007) *Vähemusrahvustest naiste olukord Eesti tööturul: uuringuraport*. Poliitikauuringute Keskus PRAXIS/Sotsiaalministeerium.
2. **Kallaste, E.**, Jaakson, K. (2006). Töötajate kaasamine ettevõttes esindajate kaudu. *Riigikogu Toimetised*, No. 13, pp. 150–157.
3. Jaakson, K., **Kallaste, E.** (2005). Töötajate kaasamine: kas põhjendatud meetod või ajaraiskamine? *Director*, No. XII, pp. 10–12.
4. **Kallaste, E.** (2006) Sotsiaaldialoogi ja töötajate kaasatuse mõõtmine. Kogumikus *Tööturg 2005*, Tallinn: Statistikaamet.
5. **Kallaste, E.** (2008) Estonia. In *Employee Representatives in Enlarged Europe*, Vol. 1. Luxembourg: Office for Official Publications of the European Communities, pp. 166–183.
6. **Kallaste, E.**, Võrk, A., Leetmaa, R., Roosmaa, E.-L., Rae, R. (2005) *Töövaldkonna indikaatorite arendamine: lõpparuanne*. Poliitikauuringute Keskus PRAXIS.

7. **Kallaste, E.** (2004) Viron ja Suomen tyomarkkinoiden erot: kannustimet muuttoliikkeene takana. *Talous ja Yhteiskunta*, No 3/2004 pp. 12–18
8. **Kallaste, E.**, Philips, K. (2003) Tööle EL liikmesriiki lihtne või keeruline otsus? *Sotsiaaltöö*, No. 4, pp. 7–9.
9. **Kallaste, E.**, Philips, K. (2003) Tööjõu vaba liikumine – probleem või võimalus Eestile? *Riigikogu Toimetised* No. 7.
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IV Conference publications

1. Jaakson, K., **Kallaste, E.** (2009). Beyond Flexibility: Reallocation of Responsibilities in Case of Telework. IV International Conference on Management Theory and Practice: Synergy in Organizations, Tartu, 3–4 April 2009.
2. Woolfson, C., Calite, D., **Kallaste, E.** (2007). Labour Standards and Working Environment in the New Member States: European Convergence or Divergence? An Empirical Analysis of Estonia, Latvia and Lithuania. IIRA Europe 2007, The Dynamics of European Employment Relations, Manchester, 3–6 September 2009.
3. Woolfson, C., Calite, D., **Kallaste, E.** (2007) ‘Labour Conditions and Working Environment in the Post-Enlargement Baltic States: Problems and Prospects for Harmonization’, plenary presentation published in Acta Universitatis Latviensis series of Economics of the Academic Papers of the University of Latvia, University for Latvia, 8 February 2007.
4. **Kallaste, E.**, Võrk, A., Priinits, M. (2004) ‘Migration Intentions of Health Care Professionals: the Case of Estonia’. Publication of the conference in Romania Cluj Napoca ‘New Patterns of Labour Migration in Central and Eastern Europe’ July 2004, pp. 168–182.
5. Eamets, R., **Kallaste, E.** (2004). Estonian Trade Unions in a Flexible Labour Market. Do they have a power to influence wages? In: Labour Market Research in Estonia: Papers of the Research Seminar, Tallinn, May 9, 2003. Tallinn: Eesti Pank, 2004, pp. 39–60.
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7. **Kallaste, E.**, Eamets, R. (2003). Estonian social dialogue in the context of European employment strategy. Estonian economic policy on the way towards the European Union. Berlin, Tallinn: Berliner Wissenschafts-Verlag, Mattimar, pp. 321–328.

8. Eamets, R., **Kallaste, E.** (2002). Overview of Social Dialogue and National Employment Action Plan in Estonia in the Context of European Employment Strategy. Paper presented in EES Challenges and Perspectives for the Social Partners in the Candidate Countries, European Trade Union Institute, 20–21 June, 2002, Brussels.

INTRODUCTION

List of papers

The thesis is a collection of four original publications. The particular publications are referred to in the text below by their respective Roman numerals:

- I. **Kallaste, E.**, Woolfson, C. (2009), The Paradox of Post-Communist Trade Unionism: ‘You Can’t Want What You Can’t Imagine’ *The Economic and Labour Relations Review*, Vol. 20, No. 1, pp. 93–110.
- II. Eamets, R., **Kallaste, E.** (2004) The Lack of Wage Setting Power of Estonian Trade Unions? *Baltic Journal of Economics*, Vol. 5, Iss. 1, 2004–2005, pp. 44–60.
- III. **Kallaste, E.**, Jaakson, K., Eamets, R. (2008), Two Representatives but No Representation – An Analysis of Two Cases from Estonia, *Employee Relations*, Vol. 30, No. 1, pp. 86–97.
- IV. Woolfson, C., Calite, D., **Kallaste, E.** (2008), Employee Voice and Working Environment in Post-Communist New Member States: an Empirical Analysis of Estonia, Latvia and Lithuania, *Industrial Relations Journal*, Vol. 39, Iss. 4, pp. 314–334.

Motivation for research and scope of the thesis

Trade unions have an important role in most European countries not only in setting wages and other working conditions, via collective bargaining, but also in designing different policies through tripartite organisations and consultations. Even though trade union membership has been declining in most of the world over the past ten to twenty years (Visser 2009), the importance of trade unions as political actors is still relevant. The EU has defined European Social Dialogue as cornerstone of the European Social Model. Social dialogue is encouraged and assumed at a national as well as EU level.

Even if there is the political will to maintain the role of social partners in designing and implementing labour market policy, social dialogue can take place only if the representative social partners exist. The representativeness of national social partners, however, receives relatively little attention. Against the background of declining trade union membership and very low membership levels remaining in the Baltic countries the question can be raised of the appropriateness of the EU policies, which rely on social partners’ activities in several areas.

By their very nature, trade unions are organisations for representing employees. Even though the political and macroeconomic environment creates the framework for trade union establishment and development, there must exist employees who want to either join existing unions or to initiate new organizations. In other words there must be employee demand for representation. “The scope of action a trade union enjoys is to a great extent determined by the size

of its membership base. This refers to the union's capability for financial and organisational survival as well as to its ability to influence employers, to be heard by the general public and to have an impact upon society. Hence the study of the factors influencing employees' decisions to join or not join trade unions lies at the heart of industrial relations." (Riley 1997:266). This paper will focus on the question of why employees demand representation, specifically trade union representation, at company level and what has determined the low level of representation in the Baltic countries. The aim is to analyse employee attitudes and representative structures which explain this demand.

Trade union presence in a company is neither self-evident nor does it automatically benefit both sides of an employment contract. At the same time there are scenarios where unions might operate as efficiency-enhancing institutions. The employee faces two opportunities in cases of dissatisfaction with working conditions: to 'exit' the company or to 'voice' the reasons of dissatisfaction to the management. Using the 'voice' option instead of the 'exit' option could be efficiency-enhancing for the employees who thus do not have to seek a new job. Also, employers have incentives to involve employees in company management if the company operations might benefit from this. (Freeman and Medoff 1979) The state might be interested in employee participation because of considerations of social integration and to avoid social conflicts, thus enhancing economic efficiency and avoiding employee exploitation. Even though there are many possibilities where the negative aspects associated with trade union presence in a company outweigh the possible positive aspects, there is still a certain degree of common interest, where all parties might gain from the creation of participative structures (Knudsen 1995:16). Because of the specific Soviet legacy in the Baltic countries, the representative structures might be regarded differently both by employees and employers from what is generally the case in many Western European countries, which could also explain the low penetration of representative systems.

Trade unions and employee representatives predominantly offer public goods. Usually, union-bargained collective contracts extend to the whole company irrespective of union membership. This can encourage employees to take a 'free ride' and enjoy the benefits of unionisation, whilst avoiding the costs. However, if there is no union available in the company this is not an option. Therefore employees face two opportunities: either create a representative structure or remain unrepresented, so the possibilities for taking a free ride are rather restricted.

When it comes to voicing dissatisfaction or for involving employees in the company structures, there are, however, several channels, only one of which is provided by unions. There may be direct channels and indirect channels, or individual and representative channels for participation (Knudsen 1995:5). Direct channels include personal contact with management, but also different human resource management practices, which are designed to involve employees directly in company management. Employee representatives include

trade union representatives and non-union representatives (NER) in general, and representation that is confined to certain specific matters (e.g. health and safety representatives). Thus, the analysis of employee demand for representation must also include the interaction of different types of representation structures.

The development of employee representation in the Baltic countries is a very sparsely-researched area. The few pieces of research available were authored by Anttila and Ylostalo (1999, 2003) and Sippola (2009). This thesis will increase the scope of research by conducting an empirical analysis of demand for employee representation and corresponding attitudes towards employee representation in the Baltic countries.

Aims and objectives of the research

As noted above this thesis will focus on the question of why employees decide to be represented, specifically by joining or creating trade unions or establishing non-union representation in the workplace, and how employee attitudes might be formed in a way that explains the low level of representation in the Baltic countries.

The research is restricted to employee decisions to demand representation. Even though other actors (specifically employers and the state) play a major role in facilitating or hindering trade union development, employees must first and foremost either want to join existing unions or to create new representational structures. The research will not analyse the attitudes and activities of employers and the state, as these are topics beyond the scope of this thesis which deals with the 'pre-conditions' for representation. The analysis is focused on company-level employee representation, the predominant site of representation, such as it is, in the Baltic States, while other levels of representation at regional, industry and state level are not discussed. The focus, therefore, is predominantly on the private sector, the driving force in the new economic framework of the Baltic States, and in particular, although not exclusively, on the small and medium sized enterprise, the main form of economic entrepreneurial activity. Additionally, while trade unions are analysed in their function as employee representational channels; other roles of trade unions, such as being political actors, will not be discussed. The scope of the research is thus limited to individual employee attitudes towards the question of being represented in respect of her or his employer. The decision to focus on the workplace level of union activity is a natural starting point for the analysis and highlights the incorporation of employee involvement as one component for understanding employee representation choice.

With regard to representative structures, the bulk of the attention is turned to trade union representation, since unions are the most influential organisations of representation. Trade union representation is more widely treated both in theoretical and empirical literature. However, other forms of representation

might have a rather similar role to unions within the companies; thus the interaction between union and non-union forms of representation as well as the motivation for creating non-union representation must also be analysed.

In order to interrogate the research problematic the following core research tasks have been identified:

1. To provide a theoretical overview of employee decisions to seek representation (i.e. to join or create a trade union or to create other forms of representative mechanisms) and, in this context, to discuss Central and Eastern European (CEE) – specific post-Soviet experiences of employee representation in the context of unionisation theories.
2. To determine the size of demand for representation in the Baltic countries.
3. To analyse empirically which conditions explain the particular size of demand for the representation of employees in Baltic countries, including:
 - a. analysis of the perceptions of union instrumentality;
 - b. analysis of the objective instrumentality of unions in gaining higher wages;
 - c. analysis of potential substitutes to union representation.
4. To discuss the practical implications of the above for the various parties to contemporary industrial relations in the Baltic countries.

Research methods and the contribution of individual authors

The demand for representation is analysed widely in western countries, using different methods and data. The most widely-used empirical approach in explaining demand for trade union membership is based on micro-level survey data (e.g. Blanchflower 2007) or macro-level data on different countries, where union membership is seen as dependent on explanatory variables of the macro-level economic cycle, institutional and structural factors (e.g. Checci and Visser 2005). However, efficiency of representation is often analysed with quantitative analysis making use of interviews and case studies (e.g. Terry 1999, Wilkinson *et al.* 2004). The efficiency of workplace level representation might be assessed in respect of company-level outcome measurements such as employee turnover, or various productivity measurements, but this has only limited value. As a result, efficiency is often assessed based on the subjective evaluation by both employees and employer.

In this thesis the articles referred to use different methods, including both qualitative and quantitative techniques. Studies I and IV primarily report on the results from the employees' survey entitled *Baltic Working Environment and Labour Survey* (BWEL 2006), which is a representative survey utilising employer-employee-linked data, designed specifically for studying working

conditions and employee representation in the Baltic countries. The studies report predominantly on employee (but also employer) perceptions on representation matters from the BWEL (2006) survey. Study II uses a quantitative technique (propensity score matching) for analysing the union wage gap based on the Estonian Labour Force Survey. Study III is based on case studies in two Estonian companies and includes semi-structured in-depth interviews with top managers, employee representatives and employee surveys in the companies.

The author of this thesis is the primary author in two of these articles (Study I and III). In both cases the author had a leading developmental role. In Study II the division of work between the authors was such that the first author was responsible for the general framework and the author of this thesis conducted the analysis of union wage gaps. In Study IV the author of the thesis developed the analysis of workplace representatives. In each of the articles there was a close level of co-operation between the authors, and all articles benefited greatly from cross-reading and suggested improvements.

The thesis structure

The thesis is a collection of four original publications which deal with the research questions as outlined.

Specifically, the thesis is structured so that the first chapter gives an overview of theoretical considerations in employees' trade unionisation decisions and the creation of non-union employee representation in the workplace. In broader terms, three sets of theoretical approaches are explained: the first, the 'rational choice' approach, is based on cost and benefit calculations. These approaches also include economic models for joining trade unions in addition to some cognate theoretical approaches from the other areas of employee organisation. For example, Klandermand's approach (1984) is based on employees weighing the expected costs of participation against the expectations of achieving the goals that they want to achieve by participating in the union. The second, the 'frustration-aggression' approach (explained in chapter 0) assumes that feelings of anger give rise to aggressive behaviour against an employer, i.e. resulting in unionisation. Third, the 'interactionist' approach (explained in chapter 0) emphasises group interaction and group culture to explain participation. There have been several attempts to merge the different approaches in order to include a model that is derived, for example, from conforming with social norms, within the rational calculation (e.g. Booth 1985, Naylor 1989). Following theoretical approaches to unionisation decisions, theoretical considerations for the creation of non-union representation will be introduced. Then, the regulatory background for representation structures in the Baltic countries will be given and theories in the context of the CEE countries will be discussed in order to understand the specificity, if any, of the question of union representation in the Baltic States as post-communist societies.

The second chapter discusses the new empirical research findings on representation and factors behind this in the Baltic countries in following parts: Study I will analyse employee perceptions of the instrumentality or effectiveness of trade union representation. Based on the BWEL (2006) survey in the Baltic countries (see above) and drawing on literature which treats trade unions as experience goods, the article will argue that trade unions in the new market economy are simply an unknown for employees.

Additionally, no social networks exist which could expose employees to trade unions in the market economy and instil a social tradition of trade union membership. Therefore, the key finding is that there is an essential group of employees who are simply not in a position to form their own opinion regarding whether or not they want to have trade union representation.

Study II discusses trade union impact on the wages of its members when compared with non-members, which is the usual measure of trade union power, when viewed as an ability to impose demands on the employer. Wages are the main bargaining issue and through their impact on wage levels, trade unions have a wider impact on the economy as a whole. Higher-bargained wages can be seen as being in the wider interest because anti-discrimination laws do not permit discrimination between union and non-union employees in liberal democratic society. However, in the case of company-level bargaining, where collective contracts extend at a maximum to one company, the union wage effect is the indicator of union power. Higher wages could be an important reason for employees to unionise if employees expect the higher wages accompanying their unionisation. Propensity score-matching analysis, based on Estonian Labour Force Surveys of individual level data, reveals that trade unions have no influence on wages and thus reveals the weakness of trade unions as bargaining agents.

Study III presents analyses based on case studies of the specific situation, where two representatives in the company exist simultaneously: a trade union representative and a non-union employees' representative. In this article, the role and effectiveness of the work of both representatives will be analysed. It has been found that both representatives can fulfil the same role, both can participate in bargaining, sign the collective contract and represent employees (both union and non-union). This is possible because of a legal framework which enables both representatives to duplicate the same role within the enterprise and also as a result of weak unions, which accordingly are not in a position to assert their prerogatives as sole bargaining agents. Although two representatives are present, neither represents the employee interests effectively, and there is dissatisfaction with the effectiveness of both at present.

Study IV discusses the state of workplace health and safety representatives in Baltic countries, based on the BWEL (2006) survey. The findings suggest that there are rather poor opportunities for a 'voice', in terms of effectively articulating employees' concerns over working environment issues. The assertion of a say in health and safety matters could provide an opportunity for

trade unions to raise collective issues of concern and establish their legitimacy in the eyes of the workforce, but paradoxically, because of the weak position of trade unions, augmenting the key findings of Study I, it is doubtful whether this development will occur.

The conclusions and an Estonian summary follow.

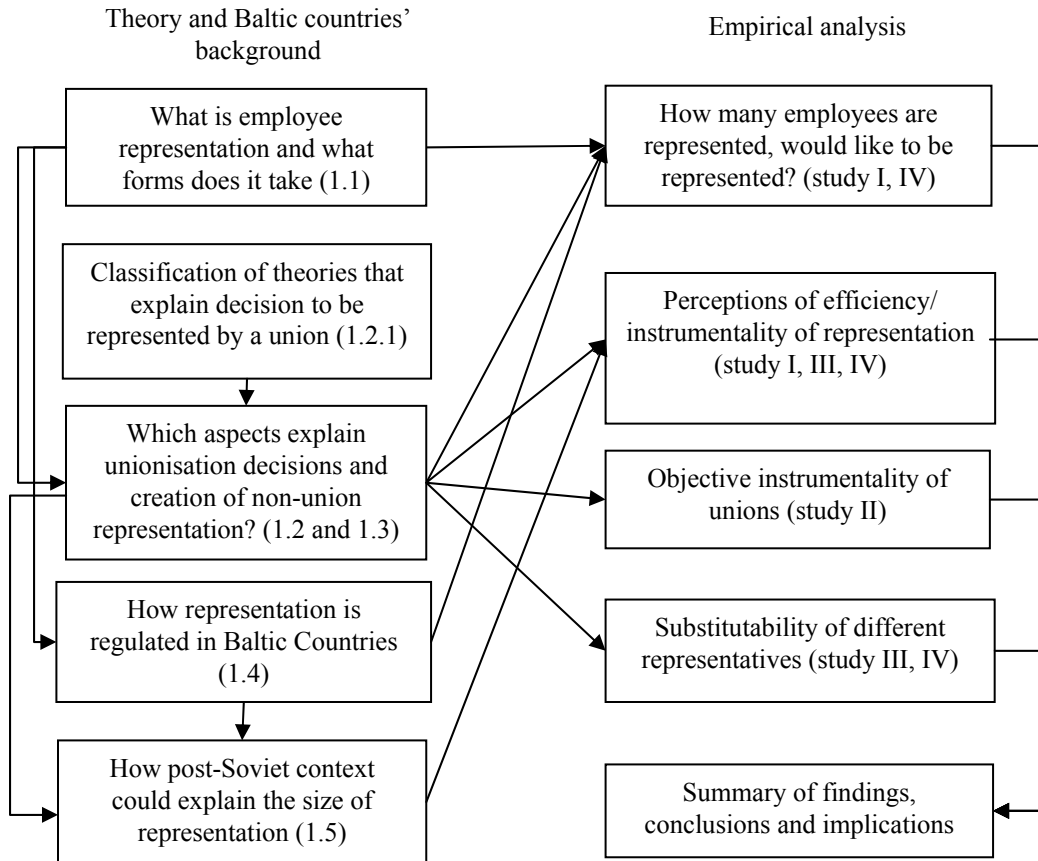


Figure 1. The structure of the thesis

Source: compiled by the author

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I. THEORETICAL EXPLANATIONS AND THE BALTIC COUNTRIES' CONTEXT

I.1. Scope of the analysis and concepts

I.1.1. Location of the study

Industrial relations is a multidisciplinary field, which is concerned with employee/employer relations. Employment relations are by definition the relations between two parties: employees and employers, the relationship is not only direct, but mediated by trade unions and sometimes by non-union representatives. The rules for the interaction of employees and employers are set out by state regulation. A general framework which adds to the interaction of actors other elements determining the actors' behaviour and enables the current study to be positioned in the field of industrial relations is offered by Vandenbrande *et al.* (2007) (see Figure 2). There are three basic elements of industrial relations:

- Actors (or inputs) – employees and their representative organisations, employers (management).
- Processes or throughputs – collective bargaining, representation at workplace levels, industrial action.
- Results or outputs – working conditions, productivity, employee turnover, etc.

The key actors in the enterprise bargaining process comprise the employees and employers. These actors decide which processes to pursue, and depending on their power, the outcomes emerge from their chosen processes (see Figure 2). This happens in the historical, political, economic and social context on the one hand and within a given regulatory framework on the other. The achieved outcomes in turn impact the existing context and may lead to changes in the regulatory framework (on the figure the feedback arrows are dashed). However, the formation of actors is not independent of the choice of processes and achieved results of the employment relations. There is in practice a simultaneous process present, e.g. employees join trade unions if there is a positive result expected of it. This is a direct relationship and is not mediated by a regulatory framework. Therefore there are also arrows added to the modified figure by the author of the thesis indicating the impact of outcomes and processes on actors.

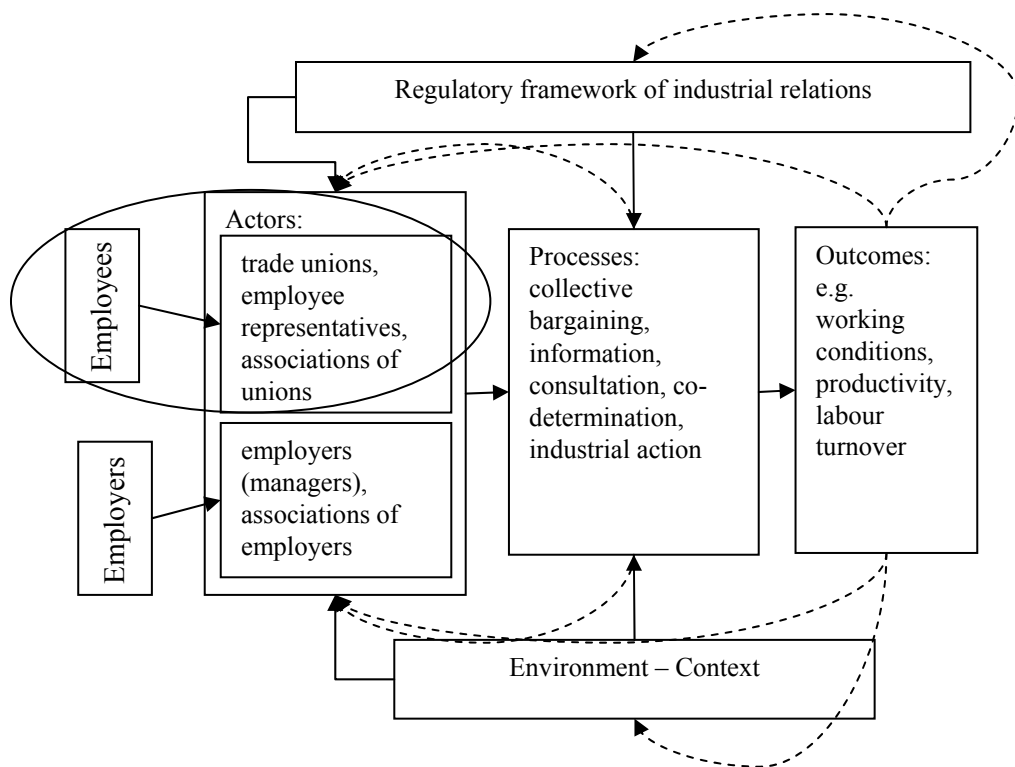


Figure 2. Main components of an industrial relations system

Source: *Vandenbrande et al. 2007, author additions*

This research focuses on Figure 2 concerning the formation of these actors, which represent employees (i.e. how employees or employers reach a decision to initiate an employee representative body and how the membership of trade unions is achieved). However, as can be seen from the figure this is not a process which can entirely be disentangled from the other components of industrial relations. As a result these other components are treated as much as needed in order to understand the formation process of actors.

I.1.2. Short historical introduction to the creation of representation structures

The employee-initiated trade union is the oldest form of employee representation. One part of the roots of today's trade unions emerged from craftsmens' guilds, which were based on the control of the labour supply into specific occupations. Another origin goes back to the industrialization process, where employees had to unite to guarantee themselves a minimum level of working conditions. This latter development was characterized by unskilled mass employment, especially under conditions where employees were easily

replaceable. Therefore, this kind of employee movement could not count on the control of the labour supply unless the bulk of the employees joined the union. Thus, this part of union development had to rely on mass unionisation. Although in the early years trade unions, or at least some of their activities, were considered illegal, in many countries, in the late nineteenth century and beginning of the twentieth century trade unions gained legal organizing and striking rights almost everywhere in developed countries.

At the beginning of twentieth century alternative representative channels also emerged. In part, these were created on the initiative of employers in order to avoid the emergence of trade unions, but also in order to promote efficiency and implement modern personnel management techniques. In part these alternative representational channels were also initiated by the state in order to avoid major social unrest breaking out. Employer-initiated employee representation schemes emerged in the USA in the beginning of the twentieth century. The boom of non-union employee representation in the USA took effect during World War I, at a time when trade unions themselves also became more active. The impetus for these non-union schemes came from a variety of sources (Kaufman 2000:23), as follows.

- The wartime government emergency boards mandated the establishment of non-union works councils and shop committees in over 125 companies, which were threatened by strikes and other forms of social unrest.
- Employers established non-union employee representation systems in order to avoid the emergence of trade unions.
- Because of the war situation there was positive public support for democracy. Therefore, some employers experimented in order to expand 'industrial democracy' with employee representation plans.
- Many employers became interested in modern methods of personnel management, because of a high employee turnover rate, social unrest and falling productivity. Non-union employee representation schemes were seen as offering the opportunity for better two-way communication, greater employee participation, and a fairer resolution of disputes.
- There were fears that labour unrest could lead the state towards socialism, and therefore non-union employee representation schemes were seen as offering employees more power without threatening the system of property rights and management control of the workplace.

A similar background to the emergence of non-union employee representation might also be found in other countries, such as Germany, the UK, and Austria.

The freedom of association was granted to employees in the Baltic countries in 1905 by Tsar Nicholas II. However, illegal unions were probably already present (Kamen 2005). In 1906, 11 unions commenced their activities in Estonia. Alternative representation mechanisms were also soon also established

in Estonia. During the interwar years, 1919–1930, it was possible to elect employee representatives in companies with 10 or more employees, and from 1931 works councils could also be established. Trade unions were at the time political institutions and tried to subordinate non-union representatives to their control¹. At the state level an association of non-union representatives was even created in 1936, in order to counterbalance the trade union movement (Kaadu 2008). This alternative representation mechanism was abolished with the commencement of the Soviet era in the Baltic countries in 1945. It is possible to differentiate the different periods of workers' power in the USSR, as is suggested by Nikula (1997). However, in practice employee representation in companies did not exist during this time and collective bargaining was absent. Trade unions, which were employee representatives, functioned as they were often termed, simply as transmission belts between the state and party and the company. As employers and employees all belonged to the same union and had the same aims, there was no place for employee representation in a market economy sense. Working conditions were, as with the whole economy, centrally planned. Thus, when independence was gained in the Baltic countries at the beginning of the 1990s, a system for the creation of employees' representation had to be built from scratch. The unions which were present in the Soviet era had none of the functions that might be expected from observing unions as employee representatives in the market economy.

Thus the initiative for the creation of employee representation might come from different actors for various reasons and the historical development of the institutions plays important role in this. Undoubtedly, the willingness to be represented or to create a representative in a company depends on the role that a representative has or aspires to have. However, concerning the creation of a trade union and employee representation through trade union channels, there is a need for employee initiative in the market economy framework. In contrast, non-union representation might be set up by employers regardless of employee initiative.

1.1.3. Main concepts

In this section, only the main concepts of participation and employee representation are explained. The other concepts will be explained in context where appropriate.

Employee representative participation in decision making processes of a company may be divided into 'problem solving' and 'bargaining' activities. The first refers to the unity of interests of employees and employers and involves activities such as information and the consultation of employees. The second refers to the conflicting interests of employers and employees and involves

¹ For the political movements interest in trade union power and their relations in the first decades of the last century in Russia see e.g. Nikula 1997.

collective bargaining activities, co-decisions and veto rights of employees. (Terry 1999:17) Information is a one-dimensional information flow from employer to employees, consultation is two dimensional and includes also a reverse flow of information from employees to employers. Co-decision means that employees have the right to decide on an issue or that employees may overrule the decision if they do not agree with it. Collective bargaining is the process where employers and employees bargain over working conditions and as the result of the bargain conclude a binding contract. If the agreement is not found the parties have the right to strike or lock out in an attempt to force the other party to agree. Collective bargaining and co-decision rights are to some extent similar, but in one case employees bargain the right to decide and on the other case there is an actual legal mandate for co-decision. Employee participation from the level of consultation is also termed the employee 'voice'. 'Voice' refers to the use of direct communication to bring actual and desired conditions closer together. (Freeman and Medoff 1979) For channels of 'voice', direct and representational channels may be used.

Broadly speaking, employee representation may be divided into trade union and non-union representation. The definition of trade unions was offered by the founders of the industrial relations field, the Webbs, at the end of the nineteenth century: 'A trade union ... is a continuous association of wage earners for the purpose of maintaining or improving the conditions of their employment' (Webb *et al.* 2009:1). This confines the notion to continuous groups and leaves aside those which have emerged for a short time and dissolved after this. Farber (1986:1044) offered the following definition of a trade union as a 'group of workers who bargain collectively with employers regarding the terms and conditions of employment.' This overlooks the professional associations and employees' representation, which further their interest through channels other than collective bargaining. In this paper, trade unions and trade union representation is understood as a combination of above definitions: unions are a continuous association of employees for the purpose of maintaining or improving working conditions and who further their interests, amongst other issues, with collective bargaining. Even though trade unions can also act as a major political force (for overview see e.g. Streeck and Hassel 2003), current research is focused more on workplace level representation and employer/employee relations rather than on trade unions as a political force.

'Non-union employee representation may generically be defined as one or more employees who act in an agency function for other employees in dealings with management over issues of mutual concerns, including the terms and conditions under which people work' (Taras and Kaufman 2006:515). Rogers and Streeck (1995:6) propose the definition of works councils: as 'institutionalised bodies for representative communication between a single employer ("management") and the employees ("workforce")'. Both definitions are very inclusive and enable the incorporation of a variety of representative structures. The difference between the two definitions is in institutionalisation,

which is required in the latter. This would leave out *ad hoc* representative consultations. In addition, in this thesis the scope is restricted to non-union employee representation (NER) which is institutionalised by law. The terms ‘NER’ and ‘works council’ are used in the text mostly as synonyms; in cases where it is necessary to distinguish a single representative from a council, this is specifically mentioned. The NER is restricted to institutionalised representation to management or the employer, but it excludes here representation on company boards or boards of directors. This is mainly because of the Baltic countries context, where this kind of representation structures is missing.

The main aspect that differentiates non-union employee representation from that of unions is usually considered to be collective bargaining, which is normally the prerogative of trade unions (Knudsen 1995). Even so, the line between the functions of the two types of representation is rather thin. First, legal regulations often give both union representatives and NERs information and consultation rights and in some situations NERs also have the right to bargain (mostly in cases where there is no union present in the company, or if the NER stipulates a workplace-level, union-bargained, industry-level contract). Second, with forming representative structures and participating informing and consulting, the NER gains also some power for redistributing the employers’ rents, which is otherwise considered to be an outcome of collective bargaining. Thus, here the difference between non-union and union representation remains mainly the organisational form of unions, which is absent in the case of an NER (see further discussion in ch. 0).

Even though generally the division of workplace representation is between unions and NERs, in practice there are a wide variety of NER structures in different countries and different establishments. The differences include those concerning the functions of NERs, election and appointment of candidates, the number of people in the function of an NER, relations of NERs with unions etc. In broader terms, legally regulated forms of NER include in European Union countries, mandatory health and safety representation and a representative (in most of the EU countries) works council in general matters (for specific Baltic countries’ representatives and representation systems see ch. 0). In the current analysis NER refers generally to employee non-union representatives in specific or general matters.

I.2. Theories for unionisation decision

I.2.1. Classification of approaches

In trade union bargaining models it is often assumed that trade unions have a monopoly power in negotiating working conditions (e.g. a monopoly union model). However, it is evident that trade unions are not usually in a monopoly position (Booth 1995). This is especially so in the Baltic countries, where trade union membership is rather low. The main power that trade unions have resides

in their membership. Of course, there are legal regulations and product and labour market conditions which can raise the power of small groups of workers, but the question that is central to this thesis is one of why employees join or create trade unions. An equally important question is why and how NER is created and whether it is able to give the employees a voice that can ever replace the trade union voice. First, union membership theories are reviewed and then theoretical approaches to creation of NER are explained.

The literature explaining the trade union membership decision can be differentiated into a number of approaches (Riley 1997):

- 1) structural deterministic approaches that explain aggregate level membership figures (e.g. Boeri *et al.* 2001; Checci and Visser 2005; Scruggs 2002; Blaschke 2000; Scruggs and Lange 2002; Checci and Lucifora 2002)
- 2) individual joining behaviour explanations based on individual data, identifying which characteristics systematically differentiate those who have joined a union (or intend to join) from those who have not (see overview in Schnabel 2003, Riley 1997 and recent analysis covering 18 EU countries in Schnabel and Wagner 2007);
- 3) conceptual models of trade union joining behaviour.

The two first approaches are more empirical in their nature and the last one more theoretical. Structural deterministic approaches explain fluctuations in membership figures across time or countries mainly based on environmental factors. The factors affecting trade union membership are divided in general into three categories: cyclical economic variables (such as inflation and unemployment), structural variables (structure of employment) and institutional variables (Schnabel 2003). There have been many studies which have complemented the basic variables, explaining aggregate membership fluctuations. These variables include, for example, globalisation (such as cross-border trade and investment) (e.g. Sano and Williamson 2008, Blaschke 2000, Lee 2005, Scruggs and Lange 2002, Visser 2002). Structural deterministic approaches exclude the analysis of personal characteristics and trade union leadership, and different to analyses of individual union-joining decisions. The structural deterministic approach is criticised on several grounds. The main criticism being that the analysis explaining connections between union membership and unemployment and inflation is *post-hoc* rationalisation for empirically-found correlations. But also it is argued that it is not possible to take account the role of trade union leadership in these studies, even though this might be a major determinant of trade union membership (Riley 1997).

Many theoretical developments have emerged from empirical testing, where there is importance attached to one or other variable analysed. Empirical approaches to the individual joining behaviour of trade unions are usually snapshot studies of a particular time, where several individual, workplace and industry characteristics are correlated to the unionisation indicator. The

explanatory variables include a wide set of different factors. Riley (1997) divides the variables into following categories:

- demographic and other respondent specific variables (age, sex, marital status, education, occupation, supervisory status, tenure, seniority, full-time, part-time, self employment);
- industry-specific variables (industry unemployment, labour and capital intensity, workdays lost due to illness or injury);
- company-specific variables (size of the establishment, geographical location of the company);
- attitudinal variables (satisfaction, union instrumentality and image, political and social attitudes);
- social variables (attitudes of colleagues and parents).

Many variables have not performed consistently over different analyses. Also, it is reasonable to believe that factors which influence the unionisation decision, might change over time (as shown by Machin (2004) for example). However, Riley (1997:277) shows that it is union instrumentality that has been the indicator which has had the most consistent relationship with union status.

Even though most trade union membership research has been inductive, there are also conceptual frameworks for the unionisation decisions (in some cases these focus on union voting intentions²). Trade union membership theories are divided into the following (Cregan 2005):

- 1) individual-based theoretical approaches, which explain the individual decisions to join a trade union or not
- 2) development of group norms and trade unions as social organisations (mobilisation theories).

Mobilisation theory regards trade unions as social movements which engage in struggles against injustice, remedy grievance etc. Trade union behaviour and strategies for engaging members are termed as either servicing strategies or organising strategies (Cregan 2005). Servicing strategies theories aim to explain trade union instrumentality in cost-benefit terms for each individual member. The trade union is seen as a servicing organisation which offers services to its members. Organising theories suggest a trade union strategy to attract new members through the organisational work of union leaders, but also through the mobilisation of new members.

Klandermans (1986:189) brings out from a sociological and social-psychology viewpoint that there are three types of theoretical approaches to the

² Fishbein and Ajzen (1975) model of behavioral intentions as a means of overcoming the practical constraints on measuring actual voting behavior. In their theory of reasoned action, Fishbein and Ajzen maintained that behavioral intention is both the immediate determinant and the single best predictor of behavior.

individual's union participation decision (in the following chapters the theories are explained in more detail):

- 1) the rational choice approach;
- 2) the frustration-aggression approach; and
- 3) the interactionist approach.

Frege (1996) complements the division of theoretical approaches, so that additionally to the frustration-aggression and rational choice theories, there are two strands of literature: social identity and attribution theories. Social identity theories are identical to the interactionist theories proposed by Klandermans (1984). Attribution theories deal with people's explanations (attributions) of their environment and the behaviour of actors in this environment. The importance for unionisation is the attribution of problems in working environment to external and controllable factors. (Schnabel and Wagner 2007:10) In other theoretical classifications this is also seen as a part of interactionist theory.

The different theories explain different aspects of the unionisation decision, however, the various theories are not mutually exclusive and have many overlapping points. For example, in rational choice theories, the costs and benefits of unionisation depend on the size of the union, social networks, group norms and culture. Therefore, rational choice and frustration-aggression theories also include to some extent also interactionist theory.

1.2.2. Rational choice

1.2.2.1. Economic models of unionisation decisions

The traditional framework for analysing trade unions as business units and classical economic agents was proposed by Berkowitz (1954, cited in Schnabel 2003)). The analysis of demand for union membership was further elaborated by Pencavel (1971). He proposed that trade union membership could be treated as one good in the basket of utility-maximising agents. Accordingly, employees consume union services to maximise their utility. The consumption depends on wealth, prices of union services and alternative goods, tastes and preferences (Pencavel 1971). Schnabel (2003) presents the traditional economic framework for analysing trade union membership using demand and supply factors. Demand for trade union membership is defined in following way:

$$U^d = d(p, y, wdiff, z, s, t), \quad (1)$$

where:

- U^d – demand for trade union services (membership),
- p – initiation fees of union and union dues relative to other goods and assets,
- y – wealth,
- $wdiff$ – union-non-union wage differential,
- z – non-pecuniary benefits of unionised work environment,

s – cost of substitute services,
 t – individual taste for unionism.

The higher the union fees and dues the lower the expected demand for union services if union membership is regarded as a normal good. At the same time, higher wealth increases the consumption of normal goods. Union wage differential and non-pecuniary benefits are the measures of the services that trade unions offer. The higher these are, the higher the demand for union membership should be. While the lower cost of substitute services (such as state provided insurance, employment protection legislation etc.) the lower the demand for trade union membership. Variable t in the equation is for measuring individual preferences, political motives, social pressure, custom and other related variables.

The union supply function is presented in an economic framework as if trade unions were economic agents. They face binding budgetary constraints, which they must take into account in providing the services. Thus the supply function for trade union services is the following (Schnabel 2003):

$$U^s = s(p, co, cs, g), \quad (2)$$

Where

U^s – supply of trade union services,
 p – revenue for trade unions is price in demand function,
 co – cost of organising,
 cs – cost of servicing existing members,
 g – union goals (maximising wage differential, employment or something else).

The supply of trade union services is affected positively by the price. The costs of organising and servicing existing members affect the supply negatively. Union goals may have different impacts on the offered level of services depending on the union goals.

The equality of union services supply and demand equals the union membership:

$$U = U^d = U^s = f(y, wdif, z, s, t, co, cs, g), \quad (3)$$

where: all the notations are indicated by equations 1 and 2.

In the empirical literature some variant of this reduced form equation is often estimated. As many of these variables are not directly observable, these are demonstrated by proxy by other individual, company and industry variables (Schnabel 2003).

At the same time, however, the outcome variable U – amount of trade union services and demand, is not directly observable. It may be assumed that the level of trade union services corresponds to trade union membership. However, if we take into account ‘free-riding’ and the collective nature of trade union offered services, collective bargaining coverage might be a better indicator.

Pencavel (1971) distinguished three types of services that trade unions offer:

- 1) collective goods,
- 2) semi-collective and
- 3) private goods.

Collective goods are the outcomes of collective bargaining, which apply to all employees of a company or industry depending on bargaining coverage, irrespective of their union status (e.g. higher wage levels). It is possible to take advantage of these services without being a member of the trade union. Thus, it is possible to free-ride and to avoid the membership dues associated with union membership. If trade unions offer only public goods (wage bargaining) it is very difficult to explain in a cost-benefit framework why an employee should join a union. In a seminal work in this field Olson (1971:2) argues that “If the members of a large group rationally seek to maximize their personal welfare, they will not act to advance their common or group objectives unless there is coercion to force them to do so, or unless some separate incentive, distinct from the achievement of the common group interest, is offered to the members of the group individually...”. Thus according to Olson (1971), there must be coercion to join a union or selective goods present. While at the time of Olson’s research (1971), closed shop arrangements were common, today these are usually illegal in the EU as well as in other countries of the developed world. Therefore, selective goods that trade unions offer as incentives for membership must exist.

Semi-collective goods are those which should be given equally to union and non-union employees (e.g. worker grievances, the securing of seniority rights). Unions, however, are in the position to decide on the quality of services. Therefore in practice trade unions offer higher quality services for union members. Union-offered private services include unemployment, accident and sickness benefits and remuneration during strikes and lock-outs. Employees who want to benefit from private and/or semi-collective goods have to join the trade union. (Pencavel 1971)

Selective goods that trade unions offer may also comprise benefits to members’ reputations which can come from compliance with the social customs and group norms favouring membership. The first economic model to take into account social custom as a selective good was proposed by Booth 1985. There have been several additional models developed, based on this idea (e.g. Naylor 1989, Booth and Chatterji 1993).

Social customs which influence a person’s reputation may be treated as a private benefit. From the viewpoint of trade union members it is a collective good; consumption by one person does not hinder consumption by others.

However, trade unions have a monopoly position to offer this good, since it is accessed only through union membership, meaning that it is an excludable good. Akerlof (1980:749) offers a definition of social custom as: ‘an act whose utility to the agent performing it in some way depends on the beliefs or actions of other members of the community.’ This means that individuals maintain their reputation by behaving according to customs and lose their reputation if they disregard these. Booth (1985) shows that **trade union membership is possible without compulsion if reputation is the only private good that trade unions offer**. She assumes that an individual’s utility is a rising function with respect to reputation, and all individuals have identical preferences. Wages are set exogenously. Trade unions offer two types of goods: wages and reputation from belonging to the group. Both goods are assumed to be normal goods. Reputation may be offered only if there is a trade union already available. Employees will decide to unionise if the gain from reputation is higher than costs of unionisation. Naylor (1989) has developed a social custom model which allows different preferences for individuals. There are two groups in society, believers and non-believers. Those who do not believe in gains to reputation have a higher utility if not conforming to the custom of being unionised compared with those who believe. The decision to join or not to join a trade union (striking activity) is made by weighting utility in different states. **The model shows that there might be situations where having a free ride- (by non-believers) may co-exist at the same time as union membership.**

Booth and Chatterji (1993) have developed a model for trade union behaviour, which takes into account union membership decisions in an open-shop³ framework. Unlike Booth (1985) and Naylor (1989) they take account of the correlation between trade union membership and wages. They use a median voter framework for modelling the wage-setting process. Employees are assumed to have different preferences for unionisation as the gains from being associated with union membership are valued differently. Employers choose employees seemingly randomly from both unionised and non-unionised employees. Employees join trade unions if the advantages of doing so exceeds those of abstaining. The decision to join a trade union is positive if gains outweigh the costs of union membership. **The model predicts that there must be some minimum critical level of trade union membership density, below which trade unions cannot exist.** The level depends on membership fees and attitudes to risk. The increase in alternative income will increase the wages demanded by unions and higher wages will also induce an increase in demand for union membership (as overall employment declines). As a consequence of adverse external shocks (e.g. abolishing closed shop arrangements, lowering external opportunities) wages and membership may fall below the critical level

³ ‘Open shop’ means that trade unions operate so that no employee is obliged to become a member of the union. An employer is free to hire employees from both union members and non-members at their discretion.

and the trade union will disappear. **The outcome might be a competitive wage level with no union present**, differently from the case of closed shop⁴ arrangements.

In the economic models the selected goods which explain trade union membership do not have to be group norms, instead some individual benefits might be the motivating factor (e.g. Booth and Chatterji 1995, Jones and McKenna 1994). The results indicate that if unions are concerned with membership they must focus on these private goods, because the collective nature of wage increases does not induce employees to join a union (Schnabel 2003).

Borrowing from the field of marketing, unionisation decisions have recently been seen as the purchase of a good in the market for a 'voice'. Union membership is a tangible good with the characteristics of 'experience goods'. Experience goods (as opposed to search goods) are goods which exhibit qualities which are difficult to observe prior to the purchase. If union membership accrues to the member services or goods which constitute experience goods, employees will feel an uncertainty with regard to the benefits of the good before experiencing it (Gomez and Gunderson 2004). The situation of trade union membership among substitutes in the market is presented in Figure 3. The generic need, which is satisfied with the purchase of union membership, is assumed to be the 'voice' (upper part of the figure). There are several possibilities for satisfying this need through different solutions, creating the solutions market (which comprises both union and non-union possibilities, non-union solutions include statutory voice, direct participation, and human resource management practices – see middle of the figure below). The good that is purchased in a solutions market is not a uniquely defined 'voice', but it is a multi-attribute product. Some of these attributes are more visible before purchase (e.g. benefits, which are present in cases of union membership) and some are less visible (see the lower part of the figure, which explains the nature of the good sold on solutions market).

⁴ 'Closed shop' indicates that an employer is confined to hiring only trade union members (a 'pre-entry closed shop') or that employees who have been hired must join a union within certain time period ('post-entry closed-shop').

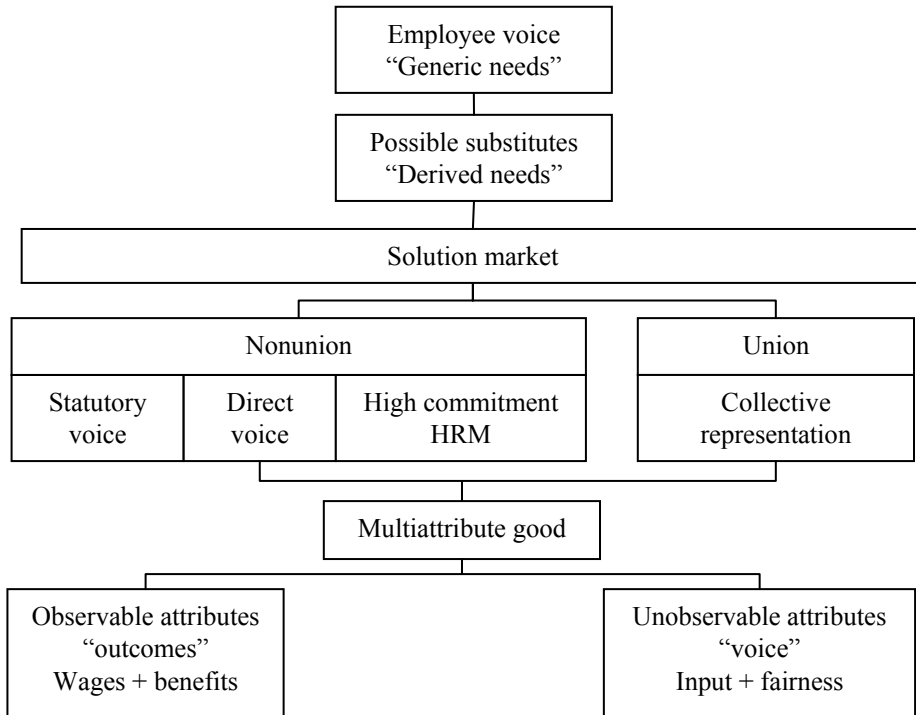


Figure 3. Consumer Choice Framework and Union Membership

Source: Gomez and Gunderson (2004:97)

As a result of the unobservable attributes of the good there is uncertainty involved in determining the benefits achieved from the purchase. The uncertainties involved with the purchase are because the result of the informational asymmetries and attribution errors, which arise because of the ‘experience good’ nature of union membership (Bryson *et al.* 2005:159). Informational asymmetries arise because it is not possible to determine the benefits of the good before it has been purchased. Thus, those who have purchased union membership are able to determine the value of it whereas those who have not been union members are not able to determine the value, prior to purchase. Information asymmetries related to experience goods indicate that union membership advertising is most effective through word-of-mouth referrals. This also explains the importance of social networks in the unionisation decision. In cases where employees have no prior experience, as no social networks with union experience amongst its participants exist, the uncertainties regarding the costs and benefits are essentially higher than for those who have some experience. (Bryson *et al.* 2005)

Attribution error related to experience goods means that people tend to like the decision they have made. This is because of positive switching costs and undetermined size of the value of the purchase. Therefore, people rationalise their decision after taking it, rather than not on an informed pre-purchase survey

of options. Thus, employees will conform to a custom of non-unionisation if they have chosen direct voice in the solutions market, for example (*ibid.*:160). This attribution error leads to the persistence of choices made and inhibits fast change, therefore fostering the culture of non-unionisation in cases of low membership levels.

Thus, economic models which have been advanced since the beginning of 1980s, enable an explanation as to how the size of union membership forms if employees make rational decisions. The models explain unionisation decision as being a rational choice between different alternatives, comparing the costs and benefits of different alternatives. However, the costs and benefits that are expected do not depend purely on employee decisions, but also on employer decisions.

1.2.2.2. Employers' role and impact on unionisation decision

The trade union is an organisation which is created for advancing an employees' interests vis-a-vis the employer. Naylor and Raaum (1993) propose that employer resistance to trade union activities is the major determinant of unionisation. Nowadays, there are several legal restrictions on employers acting against unions, and the suppression of unions is forbidden. However, there are still scope to influence the creation and spread of unionism in the company. For example, the employer might hire legal advisors, institute non-union forms of voice or/and choose a technological processes which ensures that union activists are laid off. The task of eliminating union opposition might also be carried out while recruiting, by de-selecting those applicants who have a higher known propensity to unionise (by screening past employment history for example). Also, employers might take on the direct costs for making working environments more pleasant without trade union participation, in order to avoid the creation of trade unions in the first place. Additionally, company location decisions might be made with regard to potential union avoidance by assessing its potential strength. Thus, employers' activities with regard to unions in the company are both reactive to trade union actions but also proactive by setting strategies, which impact trade unionisation decisions (Kochan *et al.* 1984).

Naylor and Raaum (1993) have developed a bargaining model of wages, where the unionisation decision is made in an open shop environment and a social custom framework. Gains to reputation are dependent on employer spending on opposing trade unions, while employees are heterogeneous since their gains to reputation are different. The employer weighs the costs arising from the opposition of trade unions against the potential gain that is received (reduction of profits in cases of unionisation or an increase in union density). There is some base level of unionisation, below which trade union is not able to bargain higher than a competitive wage level. The model implies that **employer has incentive to oppose (exercise costs against) unionisation to the level where bargained wage is equal to competitive wage rate** (as an available alternative to unionised employees). One of the conclusions of the model is that

market power of the company does not automatically lead to higher unionisation, because an employer has an incentive to oppose trade unions in order to obtain rents for itself instead of dividing them with the trade union.

Most of the trade union models assume that the unionisation decision of an employee is made in an environment where there is already a union present. However, the important aspect is how the union is created in the first place. Ruiz-Verdú (2007) has developed a theoretical model, where unionisation decision and wage determination happens simultaneously as the consequence of strategic behaviour in a company, where there is no union in the first place. The model shows that **in the case of perfect information, unionisation of the company happens if the alternative wage that company would offer in the absence of a union is lower than union bargained wage minus unionisation costs.** Thus employees will be better off with a union. The employer will decide the wage rate strategically so that it pays the union-asked wage if the alternative wage (union wage minus unionising costs) is more costly. This depends on whether union generates efficiency or not. Only if there are efficiency gains (or surplus increases) associated with union functioning will the employer decide to pay the union-asked wage, otherwise he/she will simply pay the minimum alternative (union-asked wage minus unionisation cost, so that employees will be indifferent between the two). Thus, in the case of **perfect information**, unions arise only in the companies where they **raise some efficiency gains.** Asymmetric information, however, creates a different situation and might result also in the unionisation of companies, where this does not create efficiency or conversely unions not being created, even though they would create efficiency. This is because employers and employees make false assumptions of the costs and/or benefits of unionisation and they have no opportunity to verify these before the union is created.

In order to benefit from union services there must either be a union present in the company or employees must create one themselves. Union membership status of an employee depends both on the decision of the employee and the employer. Farber (1983) has developed a 'queuing' model, also known as a supply and demand model, for union membership. The employee weighs the costs and benefits of union membership by comparing the alternatives of (1) taking up a job in a unionised workplace, (2) organising a union in a non-unionised workplace or (3) being employed in a non-unionised workplace and without union representation. Organising a non-unionised workplace is immediately more expensive than taking up an already-unionised job. In cases where the value for the employee from taking the unionised job compared with being in a non-unionised job (V_i) is higher than costs of entering an already-unionised job (C_e) but lower than organising an non-unionised workplace (C_o) on their own initiative, the employee will prefer to be in a unionised job, but nevertheless he/she will not organise a union in non-unionised workplace. In

formal terms if $C_e < V_i < C_o$, an employee will be employed in a non-unionised job even though he/she prefers to be a union member.

The answer as to why costs of organising are too high is because the right to access union jobs is not owned by the employees who organise the union or who hold union jobs. The dues and fees collected from union members are not sufficient to capitalise the organising costs (Farber and Krueger 1993). Ultimately, it is the employer who decides who is employed, not the employee. The employer decides which employee to hire based on the productivity and cost of each applicant, and only if the productivity of the applicant is higher than collectively agreed wage rate in the unionised company is the applicant hired. Thus, the demand for unions is divided between the following groups: (1) employees who hold union jobs, (2) non-union employees who would like to hold a union job. The latter group, in the relevant literature, is referred to as frustrated demand or inverse supply for union membership, unmet demand, or the union representation gap. In practice, the first group is divided also between those who hold union job and want it, and those who hold union job but do not want it. The latter group is formed because they opted for union membership while the decision was being made, but they subsequently have changed their attitude. However, it is not rational to rescind union membership status in these cases because of the associated switching (Gomez and Gunderson 2004).

1.2.2.3. Rational choice in wider framework

Resource mobilisation theory bases the unionisation decision on the availability of resources to a collectivity, and the position of individuals in social networks. Social movements are considered to be rational instead of predisposing psychological traits or states as emphasised by frustration-aggression approach (Klandermans 1984). Klandermans (1984) develops a rational choice framework, which connects mobilisation with the expected value of the participation.

Expectations and values of outcomes combine in different ways. For each outcome, the value-expectancy of the product can be calculated. Motivation is the sum of the value-expectancy products. Regarding unionisation, it must be borne in mind that it essentially produces a collective good. In general, it is argued that rational individuals will not unionise in so far as unions do not offer selective goods. However, (Gamson 1975 and Schwartz 1976, referred through Klandermans 1984) argue that people participate in the creation of collective goods precisely because they know that they would never be produced if they did not do it themselves. This is especially so regarding persons who are strongly in favour of collective goods. Additional, important factors for participation in a social movement are responsibility, solidarity and probability of success. The latter is proportional to the number of participants. The problem is that individuals have to decide their own level of participation, while the participation of others remains an unknown quantity. Therefore people behave according to their expectations.

Klandermans (1984) holds that three types of expectations determine participation: (1) number of participants in the collective movement; (2) how much their contribution will aid success; (3) the probability of success if many people participate. Expectancy theory states that these expectations combine in a multiplicative way with the value of collective good, in order to produce the expected collective benefits (see Figure 4). In order to form an opinion as to the value of a collective good, the employee must be aware of the good beforehand. Additional expectations might exist for selective goods and concerning the values of these. Motives for participation in a social movement result from collective motives (the value of the collective good combined with instrumentality) and reward motives (selective benefits and their values), while the reaction of significant others forms a social motive. When expectations combine in a multiplicative way, the different motives combine in an additive way and may compensate one another.

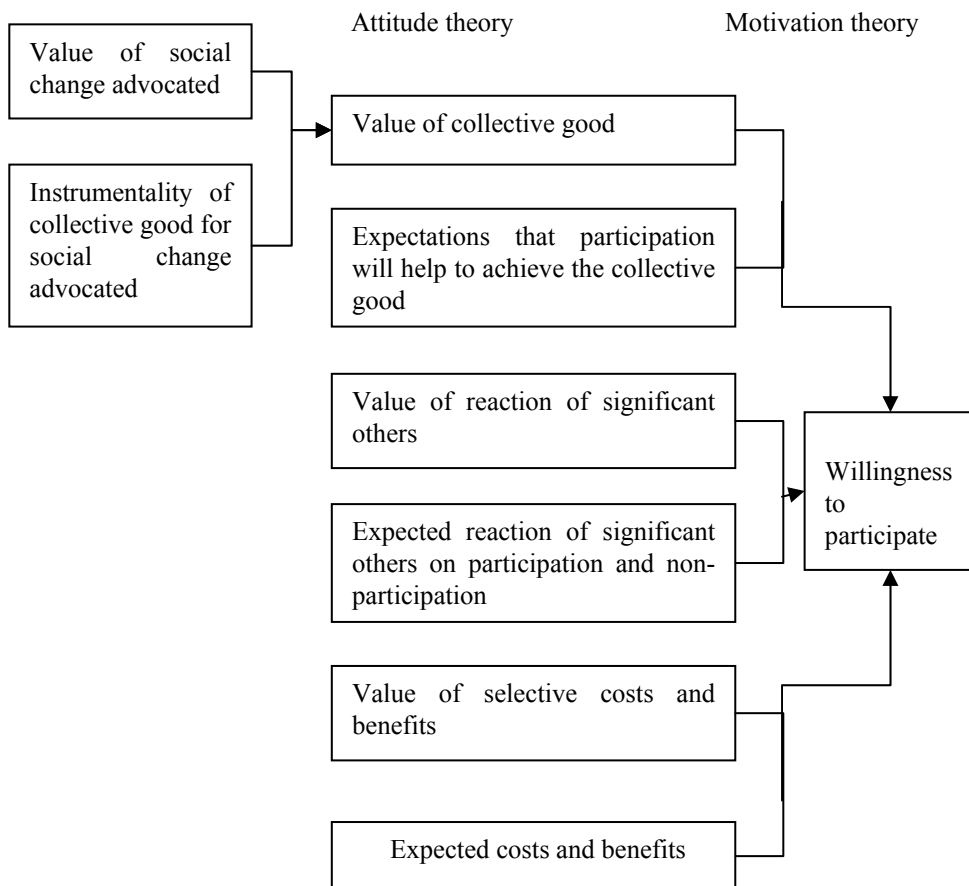


Figure 4. A Theory of willingness to participate

Source: Klandermans 1984: 587

An organisation's attempts to engage participants to support it is termed mobilisation (Klandermans 1984). There are two components to this process: consensus mobilisation and action mobilisation. Consensus mobilisation occurs through common support for the viewpoints of an organisation. It involves (1) collective goods, (2) a movement strategy, (3) confrontation opponents, and (4) results achieved (Klandermans 1984:586). These are dynamic phenomena and must be treated in the environment, which might include employer opposition, supplementing and substituting products etc. Action mobilisation, which cannot take place without consensus mobilisation, is the process whereby participants in the organisation are called to participate by existing union leaders. The motivation for participation through action mobilisation might be either collective motivation or reward motivation. While unanimous participation is necessary, there are only very rare occasions where everybody participates solely due to collective motivation considerations. Therefore, there might be both selective motives or social motives to consider. Thus, when people expect only few participants and a low value of their own participation with regard to the outcome, then they will not participate. Mobilisation must compensate these expectations. If mobilisation is not effective, the expectations will come to fruition. Mobilisation theories emphasise the role of organisations and leaders of organisations in the process of unionisation (Klandermans 1984). Thus the formation of actors in Figure 2 depend additionally on processes and outcomes from the activities of trade union management.

As has been seen, the rational choice theories which explain trade union membership have developed greatly since the beginning of 1980s. Whilst in the beginning of 1980s, the economic models were not able to explain trade union membership without compulsion being present, there have been essential advancements on this. The first of these is the explanation of union membership in the light of private or semi-private goods, which could constitute, for example, different employment and firing probabilities. An additional private good can often be reputation, which is dependent on the size of union membership. Also, simultaneous models, which enable the taking into account of union achievements and unionisation decisions at the same time, are important and explain why unions below a certain size are not able to survive.

Economic theories of unionisation decisions are based on rational choice, which takes account of the costs and benefits of the decision. Social scientists take a broader view and treat the unionisation decision as also dependent on costs and benefits, but these are influenced by collective, social and ideological motives, which are in practice difficult to measure and express in cost-benefit terms (Schnabel and Wagner, 2007). Theories which fall under rational choice frameworks assume how individuals behave and explain collective processes based on these assumptions. Individual choices themselves are not scrutinized more thoroughly (Klandermans 1986), which is the case in frustration-aggression and interactionist theories.

1.2.3. Frustration-aggression theories

While economic approaches use a cost and benefit framework as a starting point, there is another strand of literature which emphasises the psychological and behavioural aspects of unionisation decision-making. There is a substantial body of literature which has developed and specifies dissonance as the driver for unionisation. Dissonance-based theories use dissatisfaction as a starting point and after that stage, the employee moves on to analysing the instrumentality of unions in resolving the dissonance (McClendon *et al.* 1998: 34). The emphasis is on discussion, which is the factor that leads employees either to join a union, or at least to be in favour of a union being in existence.

Premack and Hunter (1988) have found that previous theoretical literature discussed, and empirical literature tested, a set of similar variables, which have influenced the employee's decision to unionise. These variables include:

1. union instrumentality or union image perceptions;
2. satisfaction;
3. attitude towards compensation;
4. influence of the colleagues and supervisors.

They propose the model for the process of the decision for unionisation. Based on theoretical argumentation, Premack and Hunter (1988) have assumed that there is a set of steps that must be gone through sequentially, before the unionisation decision is made (see Figure 5).

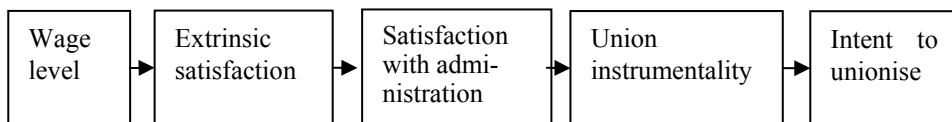


Figure 5. A Causal model of individual level unionisation

Source: Premack and Hunter, 1988:225.

Individual and job characteristics determine an employee's perceptions of the employment relationship. If an employee is satisfied with these, there is no further action needed. If there is dissatisfaction the employee will try to find remedies for this. If there are other jobs available, the employee will quit and this generates a higher labour turnover. However, if there are no alternatives present, the employee will stay in the company. If he/she subsequently finds that trade unions are in a position to improve the situation, the employee will express a willingness to vote for the union. The instrumentality of the union is defined as the 'degree to which the union is seen as a means to obtain valued outcomes in the workplace, the outcomes that individual may not be able to obtain independently.' (*Ibid.*:227) They propose as a causal model the steps indicated on Figure 5.

Based on a meta-analysis of previous empirical papers in the field, Premack and Hunter (1998) found that not all the steps are gone through for unionisation decisions. Some employees decide on unionisation already if they feel that wage levels are low, while for the others, all the steps are gone through for reaching the decision to unionise (see Figure 6). Thus there is a direct path from each step to unionisation as well. Also, they will find that an intent to vote for the union, and the voting behaviour itself, represent two measurements for the same phenomena rather than just a causal relation. The justification is that it is a secret ballot for which the intention is expressed, and therefore there is no discrepancy between intention and behaviour as is the case with some other individual level decisions is (e.g. decisions to quit a job). The intentions translate directly to actions and therefore an intention to vote is a good proxy for a decision to vote.

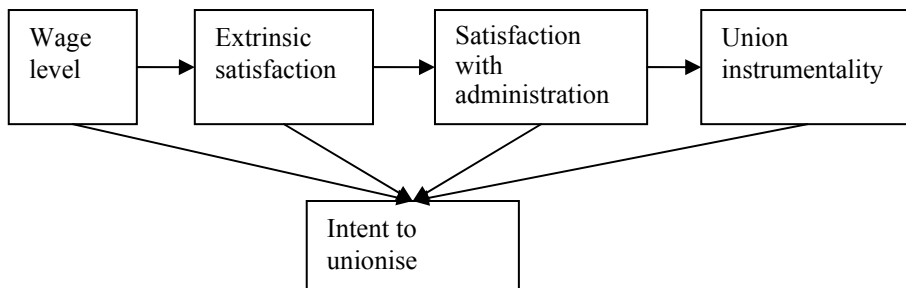


Figure 6. A Causal model of individual level unionisation based on meta-analysis

Source: Premack and Hunter 1988

The model, which indicates several paths for reaching to unionisation decision, is offered by McClendon *et al.* (1998). The employment relation is a mutual relationship, where one party promises to obey and do the work in exchange for pay. Therefore, support for unionism is seen as an employee’s aggressive behaviour against an employer. The starting point is some form of deprivation or mismatch between expectations and achievements. This might relate to wages or pay-offs more generally, social dominance or job security (McClendon *et al.* 1998:38). From this situation the support for unionism might arise through three, not mutually-exclusive, paths. The first path is ‘frustration’, before which a peaceful pursuit of the outcomes is initially followed. There are ‘pre-union’ activities, either individually or in a group, which might be used for resolving the situation. Only if this meets no response does frustration arise and employees may become ready to take more radical action such as unionisation. The second path is taken by those who will not take peaceful action first, but move directly to supporting unionisation (‘anger’). This situation arises when employees are threatened by some form of perceived detriment (some

achievement devalued or arrogated) for example. The third path is through pure economic calculation. The employee considers whether unionisation is beneficial or not. Deprivation may exist, but is not a necessary precondition in this case for supporting unionisation.

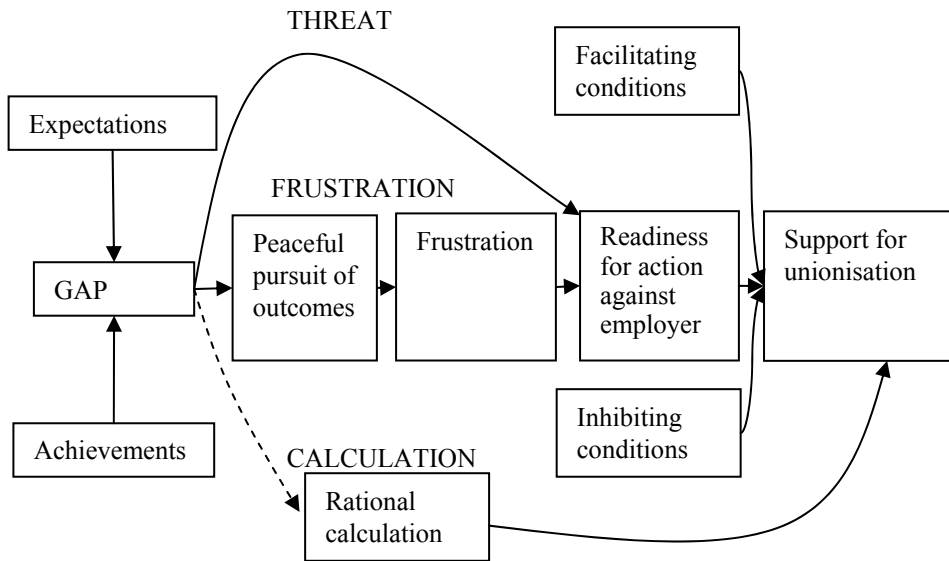


Figure 7. Decision to support unionisation

Source: McClendon et al. 1998:38.

McClendon *et al.* (1998) have argued that hostility towards the employer is the starting point for supporting unionisation, but there are additionally several facilitating and inhibiting conditions which either support or hinder unionisation. The facilitating conditions are: solidarity among employees (and against supervisors), perceptions that a union is instrumental in eliminating the source of deprivation and a dramatic event which makes unions a salient feature (*Ibid.*:39). The inhibiting conditions include fear of employer or co-worker retaliation or a belief that trade unions are wrong in principle. The facilitating conditions here enable the blending of economic and emotional motives differently from the purely calculative path. The core difference is that the starting point is ‘human action that arises from a predisposition other than that to act calculatively.’ Rational calculation is just one minor way to come to unionisation.

Godard (1994:200–201) holds that there is consensus in the (frustration-aggression) literature that employees vote for trade unions in one of, or a combination of two or more of, the following circumstances:

1. Employees are discontented with the terms and conditions of their employment and the treatment afforded them by management;

2. Employees perceive unionisation as an effective means of addressing the sources of their discontent; and,
3. Employees have a positive general image of the labour movement.

Often it is 'discontent' which is emphasised as most important reason for joining the union. By itself, however, this is neither a sufficient nor a necessary condition for the trade union membership decision (Schnabel 2003:19). Employees vote for unionisation only if they see benefits arising out of this, meaning that unions should be in a position to deal with the source of dissatisfaction. Also, the labour movement itself should have a generally positive image in the eyes of potential union members in order to make it an organization which employees are willing to join.

However, causality between satisfaction⁵ with management and unionisation is not one dimensional (Bryson 2004). Bryson (2004:215) offers two explanations based on earlier work of empirical findings that unionised employees express greater dissatisfaction because: (1) unionised employees express their voice more loudly in order to be heard better and due to a better awareness of problems; (2) unions offer employees a voice, as a result of which job-turnover is lower and therefore job tenure increases. Higher tenure is associated with a greater dissatisfaction.

It is possible to separate general and specific beliefs about unions, which play a role in unionisation decisions and are incorporated into the decision to unionise. Specific beliefs concern unions on a micro level and general beliefs, unions and the union movement as a whole. Employees who have no experience of unionisation have to base their decision making on general beliefs about unions for forming specific beliefs. Based on this notion it might be assumed that general beliefs are important determinants of specific beliefs. (Park *et al.* 2006). It has been suggested by Park *et al.* (2006) that general beliefs (such as the image of trade unions) and specific beliefs (such as a union's benefit to the individual in his or her workplace) might be in a causal relationship. In general, there have been two types of approaches. First, where both general and specific beliefs about unions are considered to be important in the unionisation decision, but no relationship between the two has been analysed. In such analyses, both types of beliefs are found to be important. Second, the type of approach which uses general beliefs as a mediator between specific union beliefs and voting intentions (unionisation). For example Youngblood *et al.* (1984) have defined a trigger effect (motivating potential of job and satisfaction) and augments effect (instrumentality perceptions), which can be seen as specific beliefs, to impact positively upon voting intentions, but a veto effect (general image of labour unions) to make a person vote negatively if the person has a negative image of

⁵ The latest empirical studies have, however, found also that there is no relationship between union membership and satisfaction (e.g. Bryson 2004, Garcia-Serrano 2009) or even a positive relationship (Georgellis and Lange 2009).

unions. Park *et al.* (2006) propose that both types of beliefs impact union voting decision directly, but general beliefs are also an important determinant of specific beliefs. As suggested in the discussion on the experience goods model above, people who have no experience of trade union representation on formulate their beliefs alone, based on a general image of trade unions, such as information which they have gleaned from social networks.

Even though many studies have found that specific beliefs are more salient than general beliefs in formulating the voting decision (e.g. Deshpande and Fiorito 1989) Park *et al.* (2006) have proposed that where professionals are concerned, general beliefs are more important. This is because professionals are concerned with professional ideology, which is important in the self concept and social identity of professionals. Therefore, they are concerned with the impact of unionisation on the whole profession and professional ideology. They find that general beliefs impact specific beliefs and analyses which ignore the connection between these two and underestimate the importance of general beliefs.

The approaches in the context of mobilization theory have added to the treatment of satisfaction and dissatisfaction, by examining the impacts of feelings of justice and injustice (Kelly 1997, Johnson and Jarley 2004, Buttigieg *et al.* 2008). Blackwood *et al.* (2003) have argued that according to the relative deprivation theory, in order to experience collective action there must be a group present which feels relative deprivation with respect to other groups (conversely, individual deprivation with respect to other individuals leads to individual responses – interactionist theory is explained in the next chapter).

In the context of mobilisation theories, in order to see the emergence of collective action, employees must first acquire a collective definition of their interests. Kelly (1997) holds that a necessary precondition for collective interests to arise, there must be a sense of illegitimacy present. Based on McAdam (1988, referred through Kelly 1997), he has suggested how these transfer to collective action. Not the dissatisfaction *per se*, but rather the procedural or interactional injustice is seen as the trigger for the unionisation decision (Johnson and Jarley 2004).

Perceived illegitimacy based on this model assumes that there is a violation of existing rules or a breach of consensual values (see Figure 8). Additionally, employees must be aware of their rights and feel that it is possible to change the situation. Klandermans (2002) indicates that injustice itself is not sufficient for collective action to take place. There must also be efficacy (a conviction that there exists the possibility to bring about a change by collective action with reasonable costs) and identification with a group (which is an integral part of interactionist theory).

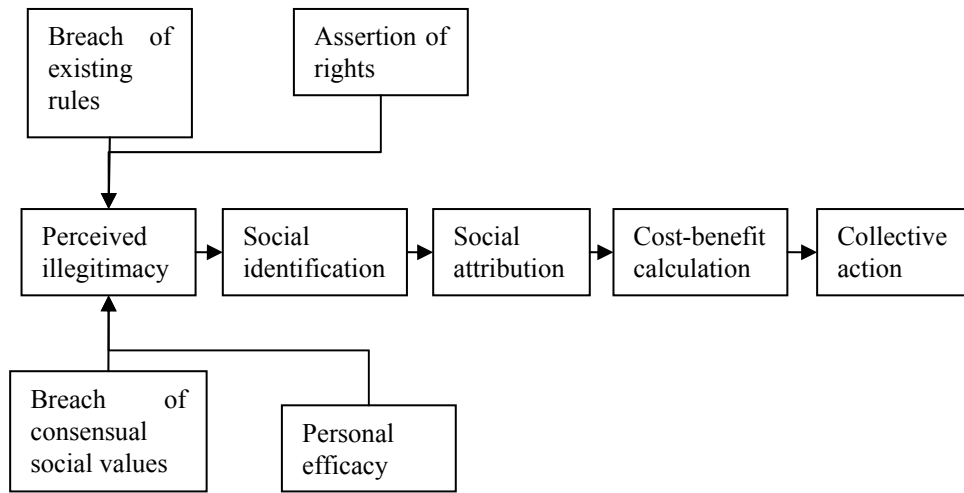


Figure 8. McAdam's model of collective action

Source: Kelly 1997.

1.2.4. Interactionist theories

Collective action is contingent on seeing oneself as part of the group (Blackwood *et al.* 2003). Social identity is constructed from three components: the cognitive component (social categorization), evaluative component (group's status compared to others) and the affective component (commitment to the group) (Klandermans 2002). An important part of a person's sense of who he/she is derives from the group or groups to which person belongs. There exist several groups at the same time with relations of status and power to each other. People define themselves through the groups to which they belong and therefore are motivated to defend and enhance group status. (Blackwood *et al.* 2003)

The affective component of social identity is what Klandermans (2002) terms group identification. Group identification is connected with the depersonalisation and politicization of group identity. Depersonalisation refers to a person's identification with a group rather than as a unique individual or member of some other group. According to the phenomenon of referent informational influence, when people value the group membership which is attitudinally relevant, self categorisation results in behaving and thinking as a group, but not as a unique self (Blackwood *et al.* 2003). The identities of people are imposed by their environment. Social influences will be the greatest when (according to Hogg and Abrams 1995, referred through Blackwood *et al.* 2003:492): (1) the individual identifies and expects to be in agreement with a group; (2) the individual experiences subjective uncertainty about their own perceptions and attitudes; (3) the norms of a group are unambiguous. The

second category indicates that people who have no prior experience of union membership and are less certain about their attitudes are more open to the influence of colleagues.

Politicization means that a group identifies itself in opposition to authority. Collectively-defined grievances (the 'we') are directed with causal attribution at those who are seen to be at fault in these grievances ('they'). If the problems in the workplace are attributed to external controllable factors, then collective action and union participation might be the consequences (Schnabel and Wagner 2007). The other possibilities are to seek membership from some other group and redefine the comparison process with different reference groups or standards. The choice between the three possibilities is made dependent on the structural characteristics of the situation (the stability and legitimacy of situation and the permeability of group boundaries). (Klandermans, 2002:892) However, it is not clear whether the causation leads from group identification to greater participation or vice versa. Klandermans (2002) has proposed that there is in practice a circular relationship. Nevertheless, Klandermans (2002) has come to the conclusion that social identity might be a separate pathway, distinct from a cost-benefit analysis, and social identity could overcome the collective goods problem, which is related to collective actions.

Kelly (1997) has indicated that, based on social movement theories, there must be three processes in order that people with feelings of injustice or illegitimacy will act collectively. These are attribution, social identification and leadership. Leadership of the group is required for creating an overall collectivist feeling, and feelings of grievance or injustice; also it is important in creating group identity and cohesion. Additionally, leaders have to defend the group in cases of counter mobilisation. Kelly (1997) argues that even though mobilisation theory is used for explaining collective action, it can also illustrate the process of collectivization. Perceptions of injustice attribute the action due to which injustice arises to management. This attribution, which leads to collective action against an employer, attributes the behaviour to the course which is considered morally appropriate (e.g. a wage cut in recession is not felt as unjust, but it might be if the wages of management are raised at the same time (Johnson and Jarley 2004)).

1.2.5. Conclusion of unionisation theories

Different theories emphasise different aspects which influence unionisation decisions. Rational choice assumes that unionisation decision is the outcome of cost-benefit calculation. Costs and benefits depend primarily on whether there is some private or semi-collective good present, which could be of value for an employee. The good might also be the reputation that employees value. However, if this kind of good is not present it is not feasible to explain union membership decisions in the light of rational choice. Thus, based on rational

choice approaches, it is possible to establish the following main aspects, which influence unionisation decisions:

1. Presence of private or semi-private goods that employees' value;
2. The estimated costs and benefits of offering the goods;
3. Number of union members, which influences the likelihood of achieving the expected results, and assessing the costs and benefits.

According to frustration-aggression theory, the major influencing aspects of unionisation decisions are, in addition to rational calculation aspects:

1. Some dissatisfaction amongst employees, is present in the working environment or working conditions,
2. Trade unions are seen as instrumental in dealing with the causes of dissatisfaction.
3. Unions have a generally positive image.

Interactionist theories predict that unionisation will be higher if employees identify themselves with trade unions and attribute the blame to the employer. The theories do not exclude each other. For example higher unionisation, according to the interactionist theories, leads to higher benefits of unionisation in rational choice models. Also, attribution of the blame according to interactionist theory influences perceptions of the instrumentality of trade unions in frustration-aggression theory.

The important influencing factor in unionisation decisions is so-called 'instrumentality'. Newton and Shore (1992:279) use the following definition of instrumentality: 'union instrumentality represents a calculative or utilitarian relationship with unions and is based on a cognitive assessment of the costs and benefits associated with union representation'.

Areas where unions could be instrumental is the question which essentially asks what unions do that employees (or employers) could value and what these activities cost. The seminal book in this regard was written by Freeman and Medoff (1984), in which it was claimed that economic theories treat unions as monopolies which seek to redistribute the rents appropriated by employers. As monopolies, trade unions introduce to the market various inefficiencies and inequalities and are therefore a negative force in society. The authors proposed that trade unions have another 'face' which they termed the collective voice/institutional response, associated with the representation of organized workers within companies. This collective voice face is explained in the context of a voice and exit framework and indicates that trade unions could also be efficiency-raising institutions (as explained under the rational choice theories model).

Economic trade union models of wage and employment formation often imply that trade unions create negative effects in the market through inefficient

resource allocation (Kaufman 2004).⁶ From these models there is no reason for an employer to see the need for trade unions in the company. Trade unions reallocate resources and lower the share remaining for employers. Trade unions reduce the employer's scope of effective management by introducing restrictive work practices. Employers' interest in the unionisation of their companies might exist in cases where the union is able to cover the whole sector and wage bargaining takes wages out of competition between employers. Employees who are unionised and employed will enjoy a wage boost from union membership. From the standard economic viewpoint, increasing wages will lower employment rates and therefore also some employees who otherwise would be in employment will become unemployed (this might include also union members).

From an economic point of view, there might be an efficiency-enhancing role of trade unions for employees in the case non-competitive markets. In cases where the employer has a monopolistic power in the labour market, trade unions can act in reducing this power, protecting workers from managerial abuse, substandard working conditions and wages. However, this is not a very valid reason nowadays, because there are very few employers who in reality enjoy such a monopolistic situation in the labour market (Kaufman 2004).

The positive effects of unions are based on Freeman and Medoff's (1984) voice and exit framework and have their roots in incomplete contracts and transaction costs which are not existent if standard economic theory with perfect information is assumed (Kaufman 2004:371). In cases of perfect information each employee finds an appropriate employer and vice versa at no cost. Unions have a rationale if there are imperfections such as transaction costs present. In cases where problems arise in the workplace there are two possibilities for employees: exit or voice. In a labour market context, exit refers to quitting the job in cases of problems. In cases where the exit is the only market correction mechanism which operates effectively, unions in the marketplace introduce distortions. However, there is another correctional mechanism 'voice'. In cases of transaction costs and incomplete contracts, using a 'voice' to solve problems and replacing the 'exit' option with the 'voice' option could potentially be efficiency-enhancing. Thus, unions, as suppliers of the 'voice' could in fact provide efficiency gains. However offering a 'voice' is not restricted to unions and there might exist different permutations of the 'voice' and the concomitant benefits. The reasons for the creation of an indirect 'voice' is explained in the next section. The reasons apply both to unions as well as NER.

⁶ Overview of the trade union models and their implications is given in Farber (1986), Kaufman (2004), Booth (1995).

I.3. Creation of NER and its relation to trade unions

The definition of non-union representatives (NERs) proposed in the chapter on concepts allows different kinds of employee agents to be classified as employee representatives, including those that are created on the initiative of managers and limited to the role of information and consultation, but without co-determination. Taras and Kaufman (2006) differentiate NER according to structures, functions, topic or subjects with which NER deals, representational modes (e.g. internal or external to company), extent of power, and degree of permanence.

A specific form of NER is the works council. According to Frege (2002a:223) works councils should be understood in their narrow sense as mandatory workplace institutions:

- which represent workers in labour-management communication, and
- which have co-determination rights; but not collective bargaining and striking rights;
- are elected by all employees;
- are independent of unions;
- further their interests in a non-conflicting manner in acknowledging both employee and management interests.

However, here the NER and works councils (as synonyms) are understood more widely. This is specifically because in the Baltic countries the creation of an NER (and works council) is voluntary and in specific situations it might take also the role of collective bargaining and their respective rights and obligations. However, it is mandated in law, and once established the NER has legal guarantees of employees' representatives. This differentiates NER from voluntary and direct participation schemes.

Trade unions are employee representative organisations, which are created by employees. Alternatively an NER might also be initiated by an employer. Even though only employees are entitled to elect their representative, the employer may cooperate in order to encourage employees to elect the favoured representative. From the perspective of an employer, NER has broadly speaking the same functions and the same outcomes as trade unions: rent redistribution and enhancing productivity. Depending on the potential costs and benefits of NER, an employer may decide whether to urge employees to establish a NER or not. The incentive for employees to elect their representative is generally considered to be redistribution of rents. This has two forms: the first is redistribution of existing rents. The other is risk insurance or rent protection. A legally mandated right to participation enables employees to avoid arbitrary management decisions and reassures them that their 'voice' is taken account. This implies that more works councils are created in cases of organisational shock, when there is more uncertainty for employees and risk insurance is more

of a value⁷. (Mohrenweiser *et al.* 2008) So far as employees are concerned, NERs and unions might effectively fulfil the same role, the difference being the union dues and union organisation support, both of which are missing in cases of NER. Thus, employee decisions to create an NER could be explained with the same theories as union creation.

The creation of NER can be analysed from theoretical perspective based on exit-voice (see ch. 0), cost-benefit, transaction cost, and principal agent models.⁸ In general terms if expected the benefits of NER exceed the costs of it, either the employer or the employee will decide to initiate an NER.

Kaufman and Levine (2000) outline the theoretical grounding for establishing a non-union representative in a company from the viewpoint of transaction cost economics. The employer is interested in increasing efficiency of production and applies human resource practices in the firm in order to reduce transaction costs. The benefits that employee representation might create through reducing transaction costs are divided into three broader categories: improvement in organizational coordination, improvement in employee motivation, and reduction in the supervisor's moral risk.

Organisations have a typically hierarchical structure, where top management decides the strategic directions of production, and via various management levels the decision is implemented, down to the individual employee who is ultimately responsible for the physical production. In this coordination process of production several transaction costs might arise which could be reduced by employee representation.

The hierarchical structure of production coordination processes has two informational direction flows. One is from top to down and the other vice versa. The information moves through several levels and is condensed at each level. Regarding the flow from bottom to top, it is reasonable that each level elaborates the information, and most of the simple employee concerns do not reach the top level, or reach it in a very condensed form, since lower levels are usually capable of dealing with it themselves. However, in cases where the lowest level employees' attitudes or actions might have strategic consequences, employee representation might give a speedier and more direct channel for the top level to become informed. For example in service organisations where employee morale is important for the satisfaction of customers, employee representatives might give information to the top level in more accurate forms than would be the case through all the management hierarchy levels (Kaufman and Levine 2000).

The framing effect arising from bounded rationality leads employees and managers to see a limited picture of the information that exists. Therefore,

⁷ Mohrenweiser *et al.* (2008) has also found empirical support for this hypothesis, based on German data on Works councils.

⁸ Principal agent problem refers to the situation where a principal hires an agent to do a job. Incomplete information and asymmetric information might lead to suboptimal results, if the two have different interests.

employee representation might be the channel for widening the frames and institutional presence of employee representation and might 'ensure that employee perspectives get adequately factored into management decision making' (Kaufman and Levine 2000:155). Additionally, the transaction costs might be reduced for certain type of decisions by a certain set-up of employee representation (Kaufman and Levine 2000) – e.g. a cross-department employees' committee might be able to pool the information from employees faster than two supervisors.

Employee representation might be used for lowering transaction costs in motivating employees. Examples how this might happen are benefits for the public good in the workplace such as reduced health hazards or the reduced speed of an assembly line. Employee representation could in this case be the institution that mediates the costs, so that as these turn out to be collective, there is no individual assignment of costs to the individual employee who raises the issue. While this is clearly beneficial to employees the effect on the employer is ambiguous, since the costs of providing a public good might be higher than benefits. Another example concerns 'the prisoners' dilemma' present in employment relationships. Employees are not willing to put their maximum effort into the production process for fear of management opportunism (e.g. laying off some employees or changing the implicit contract). The prisoners' dilemma leads to a situation where the result is individually rational but socially suboptimal. The prisoners' dilemma might be resolved by increasing trust in the intentions of both parties, also over a sufficiently long time the repeated games might also lead to greater stakes for both parties. Employee representation might help here by increasing the trust of employees towards employer and if a voice is used instead of exit (Freeman and Medoff 1984) the longer the time available for repeating the games.

Employee representation is a channel which could strengthen employees feelings about procedural justice. Employees feel that iniquity has occurred if they sense that the reward or treatment is less than that of the others or not relative to their performance. Employees might in this case perform worse or take other opportunistic steps. The employee representative might be the institution which encourages employees to trust in procedural justice. First, it might work as a channel to pass grievances on to the management, second there is trust towards the decision if somebody among the employees is participating and cooperating in making these decisions. The trust in justice increases effort and commitment. Additionally, many people like to participate in decision-making, which is something that employee representation might facilitate.

Besides employees' opportunistic behaviour, the behaviour of middle level managers might not always be of benefit to the company. Being in-between employees, whose activities and performance is assessed by top level management, they might choose to follow their own objectives which might not be the same as those that would benefit the company. Thus, the activities of middle-level managers might lead to higher turnover costs and lower work

effort. Employee representation might be the channel for conveying alternative information to top level if middle level management has incentives to give false information.

The costs associated with employee representation include compensation for time they perform representational work, the rooms and facilities they need for this work, the cost of consultants etc. Indirect costs are incurred via slower decision-making, and potential rent redistribution. Depending on which interests receive the greater emphasis by the management, the decision for the creation of NER might differ.

Considering transaction costs to be a basic principle to justify the presence of employee representation, it is evident that there are several cases which justify the presence of employee representation. These include large scale organisations, where the coordination costs are rather high, thus employee representation becomes increasingly cost effective. Other things being equal, demand for employee representation increases with the size of the organisation. In cases where production is knowledge-intensive or otherwise complex, it is more difficult to maintain morale, therefore giving ground for employee representation which could be used to enhance morale and pass task-specific knowledge on to managers (Kaufman and Levine 2000).

Furthermore, concerning employee representation, at least some of the bargaining over surplus shifts from individual to collective level. Collectively, the bargaining power of employees is higher even without trade unions. Thus, the reason for opposing NER is the same for employers as it is for opposing a union. NER gives employees some bargaining power to renegotiate the distribution of profits. (Freeman and Lazear 1995). Even though NER usually enjoys no right to strike, the collective activity by its nature will empower the employees. This may happen for example by use of alternative mechanisms for striking, such as staging slow-downs.

Voluntary systems of non-union participation depend on management policies and their belief in the utility of such arrangements (Hammer 2000). Freeman and Lazear (1995) have shown that neither employers nor employees are willing to create an employee representative body, which maximises social surplus if the works council acquires bargaining power (illustrated in Figure 9). Employee representative bodies create an additional surplus by improving information flows or securing employees' full motivation (R). However, with increasing power, their power to redistribute the surplus in favour of employees and capacity to impede management power to manage (X) also grows. In case management fears that redistributed power is more than that created, the employer will not favour creation of an employee representation body. In particular, in the example presented in the figure below employers would give employee representatives less power (X_f) than is socially optimal (X_o). Employees on the other hand would like to have more power (X_w) than is socially optimal in order to maximise their share in the surplus. Because of this Freeman and Lazear (1995) suggest that in order to create an employee

representative bodies which also have bargaining power; these have to be mandated by law with a power which is socially optimal, the other alternative being to separate the redistributive (bargaining) and productivity enhancing information-sharing roles of representation.

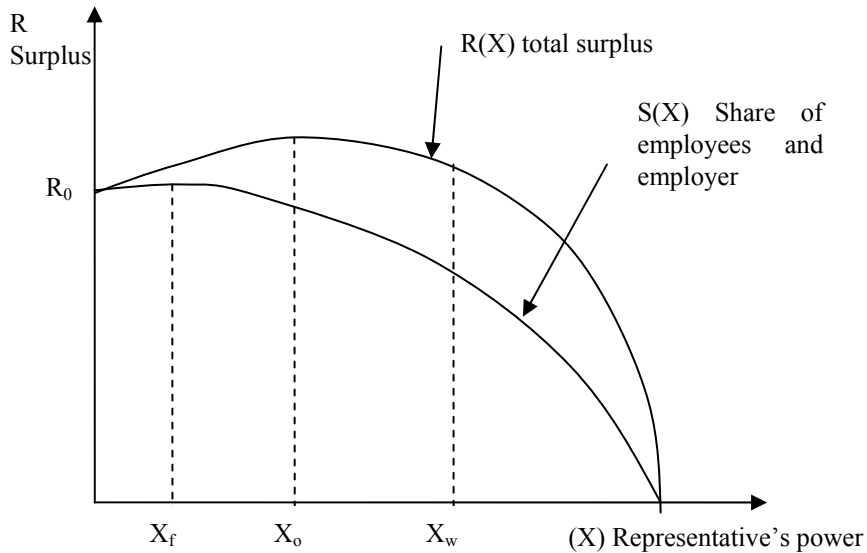


Figure 9. Distribution of surplus and power of employee representative body

Source: Freeman and Lazear 1995:30.

Workplace health and safety representation and committees are a specific form of NER in this field. In general these committees may be seen as offering collective goods to employees, which in the absence of collectivist forms of interest representation would not be offered at a socially optimal level. If there is no collective representation, the health and safety conditions will be complained about only where the person with lowest tolerance of the current conditions takes the issue up. However, as violations of occupational health and safety standards affect many people, if an employee exercises these rights there will be positive externalities. Therefore, if employees act together and internalise this externality, the remedial action will already be taken with a lower level of breach of working conditions regulations (Weil 1999:342–343).

Thus, economic models explain the creation of NERs through the presence of different transaction costs and asymmetric information. These create negative effects which it is possible to diminish if an NER is established and the information flow improved. If the benefits of this exceed costs, the employer will be willing to incorporate employee representation into the production

process. This is in cases where the NER is not used as an instrument against trade unions, which adds different benefits for employers if they value it. However, it is clear from the previous chapter of union analysis that trade unions might have the function of improving information flows and channelling 'voice'. Thus the current treatment simply complements the previous chapter with additional information, namely the benefits which employees or employers would value in creating a representation channel for employee participation. As NER and unions have partly overlapping functions, a legally regulated mandatory NER might reduce employees' interest for creating another representative.

The relations between an NER and trade unions are different. In some cases it has been found that the two complement each other and in some cases that they are substitutes. Taras and Kaufman (2006) propose that there are four rationales and thus four 'faces' of NER:

- 1) Evolutionary voice – development of non-union employee voice develops naturally from direct voice. Employees want to express their voice and the employer (or state), in order to avoid the emergence of an independent union voice, creates an NER. This does not change the basic balance of power and capital control over labour. It is expected that dissatisfaction will still grow and the NER gives employees the experience of collective voice and action, and thus can provide the ground for the creation of a union. An NER is a mid-point between direct participation and union representation.
- 2) Unity of interest – an NER is initiated by an employer as part of the human resource management (HRM). HRM is designed so that it would make a company more profitable by, for example, improving information flows, coordinating production, increasing satisfaction and morale. This is achieved via the promotion of cooperation between employees and management. An NER in this purpose would not induce employees to demand union representation, but the NER substitutes for the fulfilment of needs that the union would otherwise provide for.
- 3) Union avoidance – an NER is created on the initiative of the employer in order to suppress demands for trade union representation through suppression and substitution. Substitution works as referred to in point 2. The suppression tactic of union avoidance has many forms and in part might include the creation of an NER, which could be used to misinform employees, to buy time for uncovering and disciplining the leaders of any nascent union movement, and to reward loyal employees.
- 4) Complementary – the complementary view has a starting point that an NER complements trade union activities, so that these two together form a 'composite system of voice'. This view is pertinent to the European system, where trade unions operate mainly at an industry level and the NER fills in the voice in workplace.

To conclude, empirical evidence for the interaction between an NER and the unions support the hypothesis that there are different practices present. There are findings which both suggest that an NER complements unions and that it substitutes for unions.

I.4. Employee representation in the Baltic countries

I.4.1. Introduction

Even though the Baltic countries are to some degree different with respect to their size, population, economic structure and history, the common fifty year Soviet past has laid a similar legacy on them regarding labour relations and their regulation.

All three Baltic countries were part of the Soviet Union as Soviet Socialist Republics and reclaimed independence in the beginning of 1990s. Under the Soviet regime almost all employees belonged to the single representation channel of the trade union, which was organised by the state. There were no independent trade union movements in the Soviet Socialist Republics, but instead branches of the single All-Union Central Trade Union. There were no collective bargaining arrangements present, which would strive towards reconciliation of employees' and employers' interests. This is because there was no room for conflict of interest between employers and employees in the centrally planned economy, which was based on the ideology of a workers' state. Labour laws regulated working conditions in detail and therefore there was also no room for individual bargaining (Calvo *et al.* 2008a:35).

Currently, in all three Baltic countries legal groundings for the following types of representation are established:

1. Trade unions;
2. Authorised employees' representatives (in the case of Lithuania, in companies of more than 20 employees, there is the possibility of a labour council);
3. Health and safety representatives;
4. European Works Councils;
5. Employee representatives in European Companies and European Co-operative Societies.

In this paper, only the first three are of interest. The last category has a marginal importance in general, because of the limited presence of these types of companies and point three only concerns specific larger companies, which are international in scope. The health and safety representation, is mostly compulsory and the first two categories represent voluntary forms of representations.

I.4.2. Trade unions

The primary channel for employee representation in all three countries is the trade union. There are some rights with respect to trade union associations already stipulated in the constitution of all the Baltic countries. In Estonia, there is a defined freedom of association; in Latvia, the right to strike, for collective agreement, and the state protection of trade unions is stipulated; in Lithuania the constitution states that trade unions are freely established and independent, and that unions defend the professional, economic and social rights of employees. The basic regulation of trade unions was established in Lithuania with the Law on Trade Unions in 1991 and in Latvia in 1990. In Estonia, the 1989 law from the former Soviet Republic regulated trade union activities up until 2000. After the new law was accepted, trade unions were given a clearer juridical form and rights and obligations with regard to information and consultations were stipulated.

In all three countries, the main level of collective bargaining is that of the company. This also sets out the structure for unionism. Unions are mostly formed on the bases of enterprises, and according to professional lines the unions are grouped into branch unions. There are some differences in detail in forming a trade union, the rights of collective bargaining and the right to strike. In Lithuania, a trade union may be created if a concern has more than 30 founders, or comprises more than one-fifth of the employees of the undertaking, but totals more than three employees. In Latvia, a trade union can be registered if there are at least 50 members, or a quarter of employees in the undertaking. In Estonia, the minimum requirement for union membership in an organisation is five employees. (for details of regulation of employee representation see Calvo *et al.* 2008 and 2008a)

One noteworthy difference in the rights of trade unions and trade union members between the Baltic countries is the obligation of employers to get the agreement for dismissal of trade union members in Latvia (Labour Law, ch. 26, section 110). This kind of restriction is missing in Estonia and Latvia. Even though there is no empirical evidence available for the operation of this paragraph of the laws, it is probable that this kind of obligation might create a different firing probability for union members and non-members and therefore explains the somewhat higher trade union density in Latvia. More likely, however is the structural precondition of a single unified trade union centre in Latvia, compared to several federations in Estonia and Lithuania.

Based on national trade unions' self-reported data (see Table 1) it can be seen that the decline of trade union membership has been massive. The decline in Estonia, for which the best data is available, has stood at almost 90 per cent during the period 1993–2008. Crude measures for density (i.e. trade union members' share in employment) indicate that in Lithuania and Estonia, union membership is below 10 per cent and in Latvia between 10 and 19 per cent. Trade union membership has declined constantly in Estonia, with no important

differences associated with economic growth, employment and unemployment levels and inflation.

Table 1. Union membership as self-reported by confederations

Country	Confederation	1993	2003	2008	1993-2008	2003-2008	Crude density
Estonia	Total	397,000	63,996	52,194	-87%	-18%	Below 10%
	EAKL***	342,000	47,460	39,185	-89%	-17%	
	TALO**	55,000	16,536	13,009	-76%	-21%	
Latvia	LBAS*	252,000	179,614	151,222	-40%	-16%	10–19%
Lithuania	Total	–	182,384	120,200	–	-34%	Below 10%
	LPSK	–	113,384	90,000	–	-21%	
	LDF	–	17,000	23,000	–	35%	
	LPS ‘Solidarumas’	–	52,000	7,200	–	-86%	

Notes: * LBAS 1993 refers to 1998, ** TALO 2003 refers to 2005; *** EAKL 2008 refers to 2007

– data not available

Full names of confederations and abbreviations are in the appendix I

Sources: Carely 2009, Carley 2004.

The collective bargaining coverage according to the country profiles, provided by the European Industrial Relations Observatory (EIRO) is estimated to be around 25 per cent in Estonia (Nurmela 2009), in Latvia less than 20 per cent (Karnite 2009)I and in Lithuania around 15 per cent (Blažiene 2009). Company-level collective agreements apply in general to all employees of the undertaking where the agreement was concluded. With respect to industry level agreements, there are different systems established for extending the contracts to the third parties (see details in Calvo *et al.* 2008 and 2008a). However, as the extension of contracts is very rare in practice (there are two contracts in Estonia, none in Latvia and Lithuania) it will not be discussed more thoroughly here.

Industry-level collective bargaining, and thus agreements are almost non-existent in Estonia and Lithuania (there are a couple of sector agreements in Estonia and none in Lithuania (Blažiene 2009:4)). In Latvia, there were 23 sector level agreements at the beginning of 2008 (Fulton 2009). However, these are considered to be ‘very general and in the majority cases these reproduce the opportunities offered by law’ (Calvo *et al.* 2008a:15). At national level, tripartite or bipartite social dialogue on minimum wages and regulations takes place; however it is considered to be Government dominated in all Baltic countries (Mailand and Due 2004, Woolfson *et al.* 2010).

1.4.3. Non-union representation

In Lithuania and Latvia prior to the beginning of 2000s there was no alternative channel to trade unions for representation of employees (except on health and safety issues). In Lithuania, the possibility for the creation of works councils arrived in 2003, when the new Labour Code was accepted and in Latvia the institution of authorised representatives was also created with the acceptance of the Labour Law in 2001 (prior to that the Latvian Socialist Republic's 1972 Labour Code regulated labour relations). In Estonia, the institution of non-unionised employees' trustees was already present from 1993, but it was reformed with the new act, which took force in 2007. There were no alternative channels for representation prior to that, because the employee-authorised representation was a channel solely for non-unionised employees. Thus there were two channels present for representing two distinct groups of employees.

In Lithuania, there are two possibilities for the representation of employees at enterprise level, if there is no trade union present in the undertaking (Calvo *et al.* 2008a:35):

1. The general meeting of employees may transfer the rights of collective representation to the sectoral trade union (there is no definition of sector trade union given);
2. The general meeting of employees may elect a works council for representation (in cases of an undertaking with fewer than 20 employees, a single authorised employee representative).

The first option has found very little take up, which is explained by general weakness of sector-level social dialogue. The works councils were elected by 2008 in around 4 per cent of companies (Blažiene 2009). Works councils have the same rights and obligations as trade unions, and may be created only if there is no trade union present. If there is already a works council elected and a trade union is created after that, the two will exist side-by-side (up to the expiry date of the mandate of the works council, which is three years) and the representation is decided by the agreement of representatives or by the employees' general meeting (Calvo *et al.* 2008a).

The alternative channels for employee representation in Latvia and Estonia have quite a similar role. There is no works council type of representation, but a representative who is elected by the general meeting of employees (in Estonia, before the change of the law in 2007, there was a separate representative for non-unionised employees; now it is elected by the general meeting of employees and can thus be the representative for all employees). In Estonia the representative may be elected in any undertaking and in Latvia the law sets limits to undertakings which employ five or more employees (Labour Law ch. 2 sec. 10). The authorised representative has the same rights for information and consultation as do trade union representatives. If there are both trade union representation and authorised representation present, the collective bargaining and related matters are the prerogative for unions. If no union is present, the

authorised representative holds the rights and obligations related to collective bargaining instead.

1.4.4. Health and safety representation

Workplace health and safety representation is established according to international regulations, with some variation. In all of the Baltic countries, health and safety representatives engaged in the organization of health and safety in the workplace are compulsory, as is the establishment of occupational health and safety committees if the undertaking employs more than 50 employees. The details, however, vary from country to country.

In Lithuania the law stipulates that elections for employee representatives are organized by the trade union, or in the absence of this, by other workers' representatives in the meeting of employees. If there are more than 50 employees in an undertaking, a labour protection committee must be formed, which consists of equal number of employee and employer representatives (Republic of Lithuania Law on Safety and Health at Work).

In Latvia one or more health and safety representatives in an undertaking with five or more employees has to be elected by employees or representatives of employees. If there is a minimum of 10 representatives, a representative committee is formed from the trusted representatives (Labour Protection Law).

In Estonia if there are more than ten employees employed by the undertaking, there has to be elected an employee representative. Elections are held at the employee meeting, which is organized by the employer. The regulation of elections is agreed upon in the collective agreement or in some other written document between employer and employees. In companies with more than 50 employees, a health and safety committee is formed of an equal number of employee representatives and employer representatives (Töötervishoiu ja tööohutuse seadus).

Some comparable data on the spread of different representation structures can be obtained from the European Company Survey 2009 (Riedman *et al.* 2010). Legally-established or institutional forms of employee representation, which could be trade union or works council types of representation, are present in around 37 per cent of companies and for 60 per cent of employees on average in the EU and EU candidate countries. In the Nordic countries, more than 70 per cent of employees are represented by this type of representation and these structures exist in more than 50 per cent of companies. In Estonia and Lithuania, this kind of institution is present in around 20 per cent of companies and in Latvia around 35 per cent. If the *ad hoc* representative bodies and health and safety representation is added to the institutional form of representation, some form of representation is present in around 80 per cent of companies, covering 90 per cent of employees. The biggest difference is found in Estonia, where institutional forms of representation are only found in 22 per cent of establishments; when health and safety representation is added, the figure for representation rises to 90 per cent of establishments.

I.5. Unionisation Theories and CEE Countries

Once established, representative structures are difficult to change; they influence the present and future developments of representations. It is evident that industrial relations are path-dependent to a degree. Therefore, it is natural that the Soviet legacy has influenced the development of the current situation in Central and Eastern European countries.

Trade unions in the Soviet era had a totally different role from those in the modern day market economies. The Soviet Union was a so-called workers' state, meaning that employees, state and employers all had common interests and aims. This construct eliminates the scope for confrontation between employees and employers. Therefore, trade unions in companies did not protect employees' interests in opposition to employers but had different functions, one of the main ones being redistribution of social welfare benefits. Trade unions in a market economy conversely protect employees' interests as one of their primary functions. Thus, in the transition period following the collapse of the USSR, trade unions had to accustom themselves to a new. The main body of trade union structures in the Baltic countries survived the transformation but had to find new content, as there were very few new unions created. The transformation to a market economy brought about a steep decline in trade union membership. However, not only the issues of 'legacy', but also the transformation routes subsequently taken have had their impact on levels of representation and the roles of actors in the industrial relations system (see discussions e.g. Ost 2007, Feldman 2006).

Even though the contexts of the three nations differed, as they differ in Western countries, for generalisation's sake it is assumed that the communist experience was roughly similar for all three, leaving an identifiable common legacy effecting outcomes and views of labour markets in these countries (Blanchflower and Freeman 1997). Therefore, most of the results found based on the empirical analysis of Estonia are expected to also be valid for the other Baltic countries, and similarly the results discovered for the Baltic countries more generally pertain for those market economies which belonged to the former Soviet bloc (e.g. Poland, Hungary etc.). Here, the implications of the research from the other CEEC are presented in order to explain the potential effect of the Soviet legacy and discuss the background for the propositions, which are tested in the empirical analysis. The text is structured so that first the proposition is presented and then the explanation is given.

Proposition 1: the low level of membership is accompanied by a relatively high representation gap.

First, the propositions are raised with regard to employees' desire to be represented. These are based on the queuing model of Farber (1983) and empirical estimates of Bryson *et al.* (2005). Bryson assumed that the total demand across Anglophone countries for collective representation is similar and furthermore found support for this assumption. In cases where union

membership was lower, the representation gap was higher and vice versa. Based on this argument, it is possible to assume that the very low union membership is accompanied by a high representation gap in Baltic countries.

Proposition 2: there is a low or zero wage gain associated with union membership in the Baltic countries.

Proposition 3: Employees do not believe that a union brings benefits or are uncertain with regard to the benefits gained from union membership.

Theoretical approaches explain union membership decisions through the worth that unions create for the individual. This expected worth, however, is not directly and easily assessed. There are some more visible benefits, such as wage gains and other, less visible benefits, such as problem-solving. (Gomez and Gunderson 2004) Therefore, employee perception about the benefits that a union brings is composed of the so-called objective value, which includes wage premiums, and more subjective estimates of the potential other benefits that depend on different general and specific beliefs about trade unions. Low membership could thus be explained by no apparent objective gains from unionisation and a low perceived worth of union membership, which leads to the second proposition of the research.

With regard to subjective attitudes towards gains from union membership, there are several aspects to be borne in mind. Based on theories of unionisation decisions, there are several possible explanations as to the passivity of employees in the former Soviet bloc countries. One of the important determinants for trade union membership is found in different theoretical approaches to be the activities and attitudes of significant others. These are important both in rational choice, frustration aggression and interactionist theories. If there is a social network present which values and introduces newcomers to the unionisation experience, then union membership will be higher. From the rational choice perspective, larger social networks are associated with gains to reputation (e.g. as in the models of Booth 1984 and Naylor 1989) and with more certainty about the value of trade union membership (e.g. as explained by Gomez and Gunderson 2004). From this perspective it can be assumed that low unionisation is related to low gains to reputation associated with unionisation and uncertainties with regard to values that union membership could give. This is likely to be expressed in the attitudes of employees towards uncertainty about union instrumentality and the reputation of union institution.

Proposition 4: Unions in general are seen as necessary.

Frege (1996) suggests that one reason for low participation in trade unions in Eastern Germany might be that unions are not perceived as instrumental in dealing with employee problems. Frege (1996:390) has suggested in the German context that it might take some time since transition until the unions are able to convince workers of the changed role. Also, for newly established works councils, it might be that employees are not aware of their instrumentality because they have no experience with this kind of institution. Based

on analysis of the East German textile sector Frege (1996) finds that employees did not consider unions and works councils to be instrumental; however sporadic collective actions were regarded as effective means. This sheds the doubt on literature which argues that East Germans lack experience in voluntary collective actions and therefore cannot perceive it as effective means to pursuing their interests. The findings of Blanchflower and Freeman (1997: 440) complement findings of Frege (1996). They found that in Central and Eastern European (CEE) countries perceptions prevail that unions are not good for the country, are too weak, and yet at the same time unions are needed to protect workers (Blanchflower and Freeman 1997:446). They suggest this contradictory situation has risen because of the role that unions played in the Soviet era on the one hand and the weakness of the unions in the new economy. Therefore perceptions prevail that even if there could be some hypothetical trade union which could be instrumental and needed, the current unions are weak and non-instrumental and do not fit this bill. Similar results were found by Pollert (1999) in the case of the Czech Republic in 1994 and 1996.

Ost (2007) argues that the role of unions in the transition process resulted in unions not supporting employees, but representing society more widely. The aim of the transition was to build up the new system, which differed fundamentally from the previous planned economy. Trade unions abandoned the interests of employees in order to guarantee faster transformation and in some CEE countries were even leaders for transformation (Notably, *Solidarity* in Poland) (Ost, 2007, Pollert 1999). Even if the leaders of the trade unions would like to change the situation now, the legacy of this peculiarly 'post-communist' engagement has created distrust towards trade unions. Thus, we can explain current low membership levels by a combination of factors derived from both Soviet and post-Soviet periods, which have contributed to regarding trade unions as not instrumental. (Ost 2007)

According to the frustration-aggression theory the trigger effect for unionisation decisions is frustration. Thus greater dissatisfaction could lead to higher unionisation and higher levels of satisfaction would imply that there is no trigger effect for employees to join unions. Frege (1996) suggests that with transformation, very fast and numerous changes in employees' working lives and working conditions have occurred, and thus there could be considerable scope for frustration. A similar hypothesis was raised by Blanchflower and Freeman (1997:440): employees had neither the possibility of exit nor voice in communist times and the persistence of deteriorating working conditions leads them to lower job satisfaction. In the presence of union instrumentality and a general positive image of unions, this should lead to higher unionisation levels compared to their western counterparts. However, as there is no empirical support for this found, the hypothesis is not maintained. As there was no empirical support found for this and this is in clear contradiction with the situation in Baltic countries, there is no proposition constructed.

Proposition 5: Unions are regarded as Soviet-era and old fashioned organisations.

From a social identity perspective, low union participation might arise because of weak identification with the union. Weak identification in turn might arise because of dissatisfaction with Soviet era unions and identifying unions during the transformation process with those that existed in the former era, or because employees identify more with management and the enterprise than the union (Frege 1996). Blanchflower and Freeman (1997) found based on survey data of several East-European countries (excluding the Baltic countries) in comparison with several Western countries in 1990 and 1993 that employees in the East were less satisfied with unions. The reason for this might be found in the argument that unions have too little power⁹. Additionally, more Hungarian employees found that trade unions are needed to protect workers than was the case with employees in Western countries. They explain these seemingly contradictory results by two aspects of the experience of unions under communism: the past role of unions as ‘transmission belts’ between the state and employees and the weakness of new or changing trade unions.

Proposition 6: NER substitutes demand for trade union representation.

Proposition 7: Health and safety representation are fulfilling wider roles than could be suggested by the name and therefore substitute the demand for union representation.

Union membership might be seen as only one channel for employees to voice their concerns to an employer. It is possible that alternative channels are a substitute for a union voice. The alternative channels could be statutory health and safety representation, or non-union employee representation which is given statutory information and consultation rights. This kind of representation is mandated by law in all Baltic countries. Essentially, non-union employee representation (NER) operates in creating the same benefits as unions can if the voice of employees is considered to be the main good that representation delivers. In improving working conditions, the situation of conflicting interests as in cases of collective bargaining, and cooperation as is expected to be the situation in cases of employees’ involvement, could deliver different outcomes. Notwithstanding the fact that it has been found in several studies that unions and NER do not substitute each other, but complement (for a recent study e.g. Brewster *et al.* 2007), the proposition is raised here which assumes that there is indeed substitution present. This is because the aim is to explain why the demand for union representation is low.

In following articles the propositions are studied empirically based on the data from Baltic countries. Study I treats the size of representation and representation gap as well as related perceptions of trade unions. Thus, it contributes to the analysis of propositions no. one, three, four and five. In study II the wage

⁹ In Italy a similar share of employees disapproved trade unions, but for contrasting reasons: Italians find that trade unions have too much power.

gap for union members is calculated and it provides evidence in support of proposition no. two. Study III analyses cases where the NER and union representation function side-by-side and contributes to the analysis of propositions nos. three and six. Study IV presents the situation of health and safety in Baltic countries with respective representation mechanisms. Proposition no. seven is rejected based on it.

2. EMPIRICAL STUDIES

CONCLUSIONS AND DISCUSSION

The Baltic countries are former republics of Soviet Union, which have at present the lowest levels of trade union representation among the European Union members. The aim of this research was to explain why employees decide to be represented, specifically join or create trade unions or establish non-union representation in the workplace, and what has caused the low level of representation in the Baltic countries from the point of view of employees. Special attention has been paid to employee attitudes towards representation.

The research is a collection of four original articles which analyse the situation of employee representation in the Baltic countries. As the trade union is the main vehicle for indirect representation, the main focus of the thesis rests on trade unions. Other forms of indirect representation have been treated less thoroughly.

Summary of studies

Next, the main findings of four empirical papers are summarized. Titles correspond to each of the studies presented.

The Paradox of Post-Communist Trade Unionism: You can't want what you can't imagine' (study I)

The first study concentrates on determining the level of union demand and perceptions of union instrumentality. The paper is based on the BWEL (2006) survey. The demand for union membership is divided between revealed demand and frustrated demand, according to Farber (1983). The results indicate that there are very few employees who belong to trade unions in Baltic countries. There is also a relatively small frustrated demand. Altogether, these two groups make up around a quarter of the workforce, whereas similar calculations for the Anglophone countries, which could in general be considered to have a similar voluntary system of industrial relations as the Baltic countries, have revealed a demand which constitutes around half of the workforce (e.g. Bryson *et al.* 2005). However, the remainder of the employees are not necessarily against the idea of union representation. There is one additional sizeable group of employees (26–28 per cent) in the Baltic countries who are not able to form an opinion on the question of union representation. This group is also characterized by uncertainty as to union instrumentality.

It has been found that the majority of employees do not see trade unions as old-fashioned organizations, which are not needed in today's workplace. At the same time most employees are not aware of unions' activities. These findings lead to the conclusion that unions are not known to employees, and employees' are not able to form their opinions on the benefits that unions offer. Accordingly, they are therefore not able to form their opinion on either wanting representation via unions or not. The results contribute to the understanding of the situation of union demand in the transition countries. The group of

undecided employees, not dealt with in the literature more thoroughly until now, to a certain extent might be the outcome of the particular nature of transformation, which has left the working population without any experience of union representation in a market economy. Therefore, employees' are not aware of what to expect of unions and what benefits union membership could give.

The Lack of Wage Setting Power of Estonian Trade Unions? (Study II)

The main benefit in economic models that trade unions bring to employees is seen as that of wage gains. Even though the wage gaps between union and non-union employees is not a precise indicator of unions' power to shape working conditions in the company, it is widely used. In this study, the union wage gap is calculated using a propensity score matching technique based on Estonian Labour Force Survey data in 1999.

The raw difference between union and non-union employees' wages was 6.9 per cent, but this turned out to be statistically insignificant if personal, job and industry characteristics were accounted for. It has been found that unions are not able to extract rents from employers, which would give their members advantages over non members. The results are explained by the very small union membership and fragmented bargaining practices. The more appropriate bases for this analysis should be coverage of collective contracts; since the outcome of wage bargaining is a collective good applying to all employees, irrespective of union membership. At the same time many studies have found there to be a union membership related wage gain (see Lewis 1986). Nevertheless, the outcome explains that wage gains are not an apparent potential gain from the unionisation decisions, and union instrumentality so far as employees are concerned, does not lie in improved wage conditions.

Two Representatives but No Representation – An Analysis of Two Cases from Estonia (study III)

Effective non-union employee representation (NER) could substitute to some extent for union representation. The specific Estonian situation of the substitutability of one representative with another was analysed based on two case studies, where two types of representatives existed side by side. Estonian laws allowed for union and non-union representation to fulfil the same functions of informing, consulting and collective bargaining. Even though union representatives had the prerogative for collective bargaining, in practice the two representatives acted together in the bargaining process.

The analysis of cases shows that management had initiated the creation of NER in order to balance union demands in the collective bargaining process. In both cases the unions represented only a small fraction of employees, but management was interested in concluding the contract with a more representative pool of employees. Thus, the NER was created to fulfil exactly the same role as unions. Information and consultation were not regarded as important functions of representatives and they did not fulfil this role to any great extent.

The situation has, however, not led to competition between the two representatives. Both representatives were regarded as ineffective by employees and management. NER was considered to be less effective than union representation because of absence of organisational support from higher levels of union organisation. Unions have not gained a wider presence in the organisation, but it is not clear if they would have gained in the absence of NER.

The outcomes suggest that there is no evidence of NER substituting for trade unions. Thus, NER is probably not the reason for low union participation. None of the representatives were regarded as effective representatives of employees, which could explain the perceptions regarding instrumentality, found in the study I.

Employee Voice and Working Environment in Post-Communist New Member States: an Empirical Analysis of Estonia, Latvia and Lithuania (study IV)

The study addresses the presence of the 'voice' of employees in workplace health and safety matters based on BWEL (2006) survey. Employee representation in health and safety issues at workplace level is a general obligation, which was part of *acquis communautaire* and had to be adopted for joining the EU. In all of the Baltic countries mandatory employees workplace health representation is prescribed by law. It is found that almost all larger and medium sized companies are in conformity with the law and have a mandatory employee representation systems present (over 90 per cent). However, employee awareness of the presence of these systems was much more limited. Only in Estonia were more than half employees aware of representation, while in Lithuania fewer than 40 per cent were aware of the existence of health and safety representation in their company. Employee representation would appear to have only minor importance for information flow on health and safety advice. At the same time almost half of employees surveyed expect that there could be greater cooperation between employees and employers in health and safety matters.

When compared with salary issues there is more consensus among employees for collective representation in workplace health and safety issues. However, a relatively small share of employees still prefer collective representation (around 40 to 50 per cent depending on the country) even in these matters. Therefore it can be seen that there is both willingness for some collective activity in the field of health and safety and a willingness for more cooperation, however, the present mandatory structures are not effective in representing employees collective 'voice'.

Thus, instead of supplementing union activities, current health and safety representation does not operate effectively. The situation could create opportunities for trade unions which are not capitalised upon due to lack of attention to these issues on the part of unions.

Discussion of results

Theoretical approaches attempt to explain the trade union membership decisions through the instrumentality of unions. This means that people must feel that trade unions are instrumental in order to decide to join a union. In the rational choice framework this reduces itself to the calculation of costs and benefits. The positive trade union membership decisions are made if unions provide benefits that exceed the costs. According to other theoretical approaches, there must be a perception that unions are instrumental in dealing with the problems that employees have, i.e. the capability to solve the problem. However, the expected costs and benefits which arise from representation are dependent on the power of the representative organisation, which in cases of trade unions is usually reflected in membership of the union. The benefits depend on the number of participants in the activity. The group norms and culture of trade unions impact the 'norm' of unionisation. In cases where there are very few participants in the union movement the benefits of its membership might be low and gains to reputation missing.

Theoretical explanations establish that demand for collective representation is not restricted to trade union membership. First, there are free-riders, some of whom prefer to be represented by unions, but who are able to enjoy the benefits at no costs, because unions offer collective goods. In addition to free-riding employees there are those who are not able to attain trade union membership because of either a too high a cost of organising or too uncertain benefits stemming from union membership, even though they would like to be collectively represented. In general, employees are divided between those who do not want trade union representation and those who would like it. The last group has two subgroups – those who have attained membership and those who have not and they form the so-called representation gap.

Trade union membership, which offers employees a 'voice', may be substituted by other channels of indirect voice mechanisms (such as non-union employee representatives on general matters or mandatory health and safety representatives). Thus, the low demand for union representation may be explained by presence of other channels, which fulfil similar tasks to trade unions.

Trade union membership in the Baltic countries is very low. Unions represent less than one-tenth of employees in Latvia and Lithuania and a bit more in Latvia. Also, the representation gap (employees who would like to be represented, but are not) is rather low (17–22 per cent of those employees, who are not unionised). However, there is a third separate group, the 'undecided', who have difficulties in forming an opinion as to whether they want union representation or not. They differ from those who do not want to be represented and from those who do not care if they are represented. The group of 'undecideds' is roughly in equal size to those who do not want unions in their workplace.

The low levels of trade union membership, frustrated demand and at the same time relatively large share of the 'undecideds' is explained by a perceived

low instrumentality of unions. This means that workers do not feel that belonging to a trade union or having other means of indirect representation is beneficial. Those who are undecided have the hardest times in deciding if unions bring benefits to their members. The finding accords with Nikula (1997:179), who in 1993 found that employees in Estonia and Latvia do not see that union membership could be worth it.

Based on case study research (study III) it is possible to explain a particular situation, where employee representatives are regarded as inefficient in the opinion of both employees and employers. It was found that employee representatives in the analysed companies in question had very little time to deal with representational issues; their role was marginal and confined to information and consultation purposes. Company managers and the representatives themselves also found that their role is minimal.

The specific reasons for a perceived low demand for employee representation are not directly analysed, but some inferences may be still drawn based on theoretical and empirical studies. The very low share of employees in unions and employee difficulties in deciding, whether unions are of any worth to them, could be a result of low knowledge of unions in market economy sense. Easily-assessed visible benefits from belonging to a trade union are missing, as there is no wage gain present (as is found in study III). It is apparent that employees are not well aware of union activities; thus other benefits, which could stem from union representation are not known to employees. This also conforms to the findings of Nikula (1997:179) that in 1993: 'It seems that workers do not have any conception about the duties or functions of the trade unions – so far unions have merely been an instrument in applying managerial strategies and a distribution of welfare, but that unions should or could represent and defend workers' interests in relation to managers or to the state, is inconceivable.'

When employees are in a position where unions are not perceived as beneficial to them, the general image of unions paradoxically is better. There is no prevalent idea that unions in general are not needed. This finding is in accordance with those of Blanchflower and Freeman (1997) that unions in Hungary were generally regarded as necessary institutions, but existing unions were considered to be too weak. Thus the basic attitudes, which described the workforce in Estonia in 1993 and Hungary in the 1990-s are still the same in the Baltic countries in 2006. Trade unions in general are not seen as old fashion organisations, but union representation is nevertheless not seen something that is necessary.

From a theoretical perspective, social networks and experience of union membership are essential influential aspects of the unionisation decisions. However, there is a large percentage of companies in Baltic countries which don't have a trade union present. So, for a large group of workers, there are also at least some barriers to becoming a union member, as they have to establish one within the company themselves, which entails the potentially high costs associated with unions or low benefits.

Mandatory health and safety representation is quite common and present in almost all companies where it is required. The spread of other forms of legally mandated NER is, however, rather restricted in the Baltic countries. At the same time the NERs are not substitutes for trade union representation, and therefore also probably not the cause of low demand for union representation. Based on two company case studies (study III) it was found that there is no clear superiority of NER when compared with unions – both are inefficient in the assessment of employees and employers of these companies. Furthermore, health and safety representation is not a very well established form of representation of employees, starting from the fact that in half of the companies where, according to the employer, the representation system is present, employees, are not aware of this arrangement. Also the importance of health and safety representation in the information and consultation process is regarded as minor (study IV).

Thus, people are not aware of the benefits that unions might bring equally as much in companies in 2006 as was the case in 1993. Additionally, employees' perceptions do not support collective activities, as individual negotiations are preferred. When considering whether wage or health and safety conditions should be negotiated individually or separately, more than half of the workers (in case of wages as much as 87 per cent of Estonian workers) see it as a matter of preference to have individual negotiations. Thus the post-Soviet society (based on the example of the Baltic countries) is individualistic (study III), which is also an explanation for why employees' have not formed new unions for furthering their collective interests.

The conclusions in short are presented in the following table.

Table 2. Overview of propositions and results

Proposition	Result
Research task 2: Determine the size of representation	
Proposition 1: There is significant representation gap.	Not supported
Research task 3a: Analyse perception about unions	
Proposition 3: Employees do not believe that union bring benefits or are uncertain with regard to the benefits gained from union membership.	Supported
Proposition 4: Unions in general are seen as necessary.	Supported
Proposition 5: Unions are regarded as Soviet-era and old fashioned organisations.	Not supported
Research task 3b: Analyse objective benefit of union membership	
Proposition 2: there is low wage gain associated with union membership in Baltic countries.	Supported
Research task 3c: Analysis of substitutes to union representation	
Proposition 6: NER substitute demand for trade union representation.	Not supported
Proposition 7: Health and safety representation are fulfilling wider role and therefore substitute the demand for union representation.	Not supported

Source: compiled by the author

Implications and limitations of the research

There are several practical implications that can be derived from the research on employee representation in practice. Because the analysis concentrated on employee attitudes towards unions, the implications concern mainly trade unions. This is not to underestimate the employers' perspective, which needs to be the focus of further research. The results, which are evident from all the studies, imply that employee representation is not effective through any of the analysed representational channels. This creates avenues of opportunity for unions, which could take the initiative in health and safety matters and prove their effectiveness in information and consultation. However, currently employees' do not see unions as organizations fulfilling these roles and the instrumentality of unions in creating benefits to employees is not sufficiently convincing to impel employees to seek unionisation. Therefore, it is rather difficult for unions to persuade employees to join existing unions, and initiative from the employees' side to create new unions is unlikely to be exhibited. Thus, it is a rather difficult task of mobilization that faces unions in the Baltic countries. It would seem that unions must start with a better introduction of their current and potential benefits to employees. Apparently, the top-down development of trade unions has not reached employees at the level of enterprise. From an employer's point of view the problem is a low awareness of employees about health and safety representation, which indicates that their role is formal and they are not fulfilling the position with real impact. If there are institutions of representation present, employers could take care that the representation really functions as a genuine employee representation, because otherwise it is not possible to realise the potential benefits that may accompany representation in terms of business efficiency. However the costs associated with the functioning of the representation (e.g. the training of representatives', free time of service with maintained salary, redundancy protection, etc.) must be also borne by employers and constitute a disincentive to encourage representation through trade unions.

The research presented in the thesis suffers from several data and methodological limitations, which could be addressed in future research. Industrial relations are, by definition, based on an interaction between employer and employee. Therefore, the analysis of the unionisation decision would benefit if the employer's views could be compared with those of the employees. The BWEL (2006) survey used for analysis in studies I and IV, even though designed as employer-employee matched survey, includes only limited information from an employers' side on the perception of need and effectiveness of employee representation.

Current research has touched upon only a limited part of the industrial relations field in the Baltic countries, which has received scant attention in general. The focus was on the creation of employee representation. However, it is clear that employee representation depends also on the actions of the other

actors, processes pursued and outcomes achieved. To complete the picture on the unionisation decision the other parts of industrial relations should be analysed as well.

There is limited research available on trade union activities, and specifically on the union activists' role in mobilization and servicing of existing and potential union members. Activists play an important role in setting union goals and the creation of the social norms of a group. Without analysing the union activists role in the processes, the analysis of union membership decision cannot be complete. There is some research available for Central European countries (e.g. Ost 2007, Frege 2002), but the republics of the former Soviet Union are not analysed at all. Therefore, for understanding the decline of unions in the Baltic countries better, research targeted on union activists and union actions should be carried out. The main hindrance for this work is lack of data on trade unions and their activities. Therefore, it is important to develop data gathering on the issue. Theoretical models of union membership suggest that unions are not able to survive if membership declines below a certain critical level. As the unionisation level has declined to an unprecedented low in the Baltic countries, the survival of unions is now in doubt, and therefore it might be that it is such analysis is a pressing requirement as the opportunity for research may be evaporating along with the unions themselves.

There is reason to assume that a major factor in union decline and employees' capability and willingness to defend their interest collectively in opposition to the employer is because of legal regulations. Employment protection in Baltic countries was set at a rather high level (Eamets and Masso 2005). Partly, this is because there were no independent and effective unions present, but also because the employment relations in the USSR were organised this way. Strong regulations eliminate the need for union protection. Therefore, the role of government regulations in influencing demand for representation in the post-Soviet context should also be analysed in more detail in future research.

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APPENDIX I – LIST OF TRADE UNION CONFEDERATIONS

1. Estonia
 - a. Estonian Trade Union Confederation (Eesti Ametiühingute Keskliit, EAKL)
 - b. Estonian Employees' Unions' Confederation (Teenistujate Ametiliitude Keskorganisatsioon, TALO)
2. Latvia
 - a. Free Trade Union Confederation of Latvia (Latvijas Brīvo Arodbiedrību savienība, LBAS)
3. Lithuania
 - a. Lithuanian Trade Union Confederation (Lietuvos profesinių sąjungų konfederacija, LPSK)
 - b. Lithuanian Labour Federation (Lietuvos darbo federacija, LDF)
 - c. Lithuanian Trade Union 'Solidarumas' (Lietuvos profesinė sąjunga 'Solidarumas', LPS 'Solidarumas')

SUMMARY IN ESTONIAN – KOKKUVÕTE

Töötajate esindamine töökohal: valitud tegurite analüüs

Töö aktuaalsus

Sotsiaalne dialoog ning töötajate kaasamine on Euroopa sotsiaalmudeli oluline osa. Selleks, et töötajaid oleks võimalik kaasata ning töötajad saaksid osaleda sotsiaaldialoogis, peab töötajatel olema esindus. Töötajate esindatus töökohas on aluseks töötajate esindusorganisatsioonide kujunemisele. Peamiseks ning vanimaks töötajate esindusorganisatsiooniks on ametiühingud. Seega, selleks, et saaks toimida sotsiaalne dialoog, peab olema olemas ka töötajate esindus.

Eesti, Läti ja Leedu ehk Balti riigid on osa endisest Nõukogude Liidust, kus ametiühingutesse kuuluvate töötajate osatähtsus on tänaseks Euroopa Liidu riikide seas madalaimal tasemel. Ametiühingusse kuulub Eestis ja Leedus alla kümne protsendi töötajatest ning Lätis veidi enam. Ametiühinguväliseid töötajate esindajaid on marginaalselt. Mõnevõrra levinum on ainult kohustuslik töötervishoiu esindus. Käesoleva töö ülesandeks on analüüsida, miks töötajad soovivad olla esindatud ettevõtte tasandil ning mis on põhjustanud esindatuse niivõrd madala taseme Balti riikides. Eesmärk on analüüsida töötajate suhtumist ning esinduse struktuure, mis selgitavad soovi olla esindatud.

Olemuselt on ametiühingud töötajate esindusorganisatsioonid. Kuigi regulatsioonid ja majanduslik keskkond loovad raamistiku ametiühingute tegutsemiseks ja arenguks, peavad olema olemas töötajad, kes soovivad olla esindatud. Teiste sõnadega, peavad olema olemas töötajad, kes tahavad ühineda olemasolevate ametiühingutega või luua uusi. Riley (1997: 266) kohaselt on ametiühingute tegevuse ulatus suures osas määratletud sellega, kui palju sellel on liikmeid. Liikmeskonna suurus määrab nii ametiühingute organisatsioonilise ja finantsilise ellujäämise kui ka võime mõjutada tööandjaid, olla kuuldav avalikkuses ja mõjutada ühiskonda. Seega on ametiühinguliikmelisust mõjutavate tegurite analüüs töösuhete (ingl. k. *industrial relations*) analüüsi aluseks. Selles valguses on märkimisväärne, et ametiühinguliikmelisuse kujunemist Balti riikides ei ole praktiliselt üldse analüüsitud. On küll tehtud mõningaid uurimusi ametiühingute mõju ning läbirääkimiste kohta, kuid ametiühingu liikmelisuse kujunemisega ei ole tegeletud.

Ametiühingute (nagu ka laiemalt töötajate esindaja) olemasolu organisatsioonis ei ole ei iseenesestmõistetav ega automaatselt mõlemale poolele kasu toov. Samas on olukordi, kus töötajate esindaja võib vähendada informatsiooni asümmeetriast tulenevaid kulusid või transaktsioonikulusid. Näiteks võib töötajal tekkinud probleemide lahendamine toimuda läbi informeerimise ja konsulteerimise, mitte organisatsioonist lahkumise kaudu. See võib olla efektiivne lahendus mõlemale poolele ning ka ühiskonnale (Freeman ja Medoff 1984). Kuigi töötajate esinduse olemasolul võib olla mitmeid negatiivseid mõjusid,

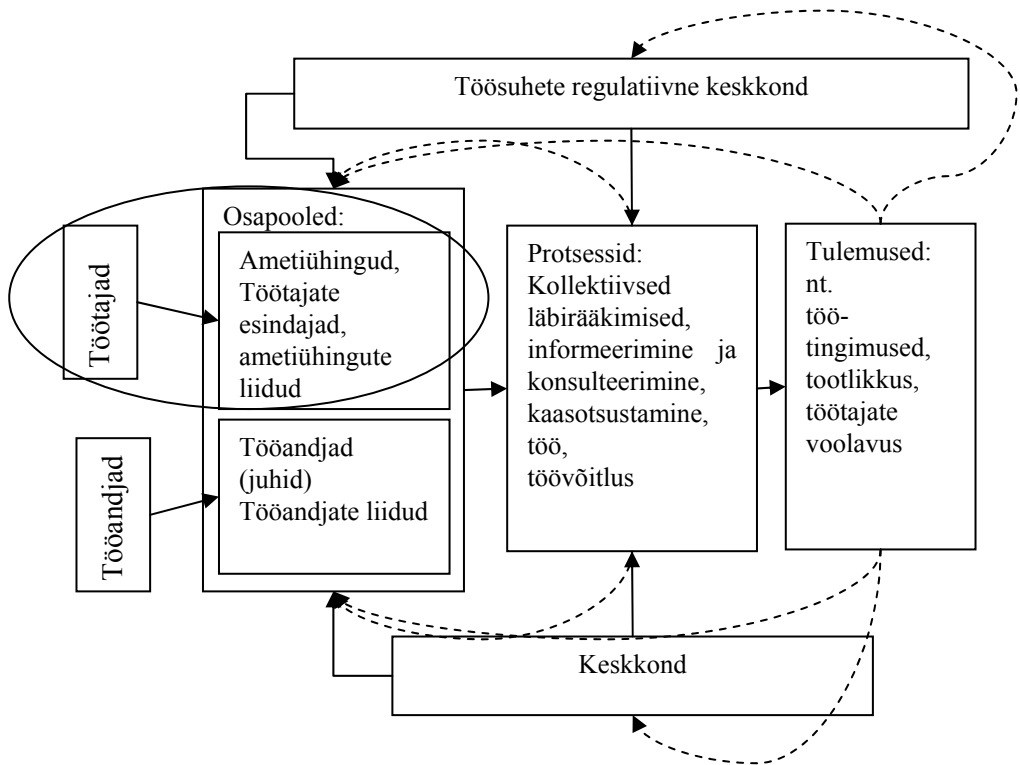
eelkõige ressursside ümberjaotusest tulenev heaolu kadu, on olemas ka positiivsed küljed, miks erinevatele osapooltele töötajate toimiv esindus võiks kasulik olla. (Knudsen 1995:16)

Töötajate probleemide viimiseks juhtkonna tasandini aga ei ole vajalik tingimata ametiühingu olemasolu organisatsioonis. Töötajate kaasamine võib toimuda otse või ametiühingule alternatiivse töötajate esinduse kaudu. Otsese kaasamise korral kasutavad tööandjad erinevaid inimressursi juhtimise praktikaid iga üksiku töötaja otseseks kaasamiseks. Aga ka kaudse ehk esindaja kaudu kaasamise jaoks vajalikke töötajate esindusvorme (nii üldistes kui spetsiifilistes küsimustes) võib olla erinevaid, millest ainult üheks on ametiühingud. Seetõttu peab töötajate esinduse analüüs hõlmama ka erinevate esindusvormide omavahelisi suhteid.

Töötajate esinduse kujunemine ja olukord Balti riikides on vähe analüüsitud valdkond. Üksikud olemasolevad uuringud hõlmavad Anttila ja Ylöstalo (1999, 2003) ja Sippola (2009). Käesolev uuring täiendab esinduse kujunemist Balti riikides töötajate hoiakute ning suhtumise analüüsiga.

Uuringu eesmärk, ülesanded ja paiknemine valdkonnas

Töösuhete valdkonda (ingl. k *industrial relations*) võib kujutleda selliselt, nagu näitab alljärgnev joonis (vt. Joonis 1). Definiitsiooni kohaselt hõlmab töösuhe kahte poolt (tööandja ja töövõtja) ning individuaalsest töösuhtest kollektiivse töösuhteni liikudes hõlmab see töötajate poolelt töötajate esindust. Töötajate ja tööandjate esindajad kasutavad erinevaid protsesse (läbirääkimised, kaasamine, streigid jne), et jõuda tulemusteni (töötasu suurus, muud töötingimused). Töösuhete osapooled tegutsevad laiemalt veel majanduslikus ning regulatsioonide keskkonnas. Tegemist on simultaansete ning üksteist mõjutavate protsessidega. Otsused töötajate esindajate liigi kohta tehakse sõltuvalt sellest, milliseid protsesse on võimalik kasutada ning samuti mõjutavad juba saavutatud ning oodatavad tulemused seda, milliseks kujunevad töötajate esindajad (joonisel näidatud katkendliku joonega). Käesolev uuring aga keskendub sellele, millised on töötajate hoiakud ning soovid olla töötajate esindajate kaudu esindatud. Nagu näha jooniselt, ei saa seda täielikult eristada muudest töösuhete valdkonna osadest.



Joonis 1. Töösuhete (ingl. k *industrial relations*) valdkonna skeem ning uuringu asukoht (märgitud ovaaliga) valdkonna suhtes

Allikas: Vandenbrande et al. 2007, autori täiendused

Käesolev uurimus keskendub seega küsimusele, miks töötajad otsustavad olla esindatud, täpsemalt ühineda ametiühinguga või luua see või luua ametiühinguväline töötajate esindus töökohal ning millised töötajate suhtumised selgitavad väga väikest töötajate esindatust Balti riikides.

Uuringus vaadatakse esinduse kujunemist töötajate vaatepunktist ning ettevõtte tasandil. Kuigi teised pooled (tööandjad, riik) mängivad samuti olulist rolli töötajate esinduse kujunemisel, peab töötajate esinduse kujunemiseks olema olemas mingi töötajate poolne soov. Töötajatel peab olema huvi kas ühineda ametiühingutega või luua uus esinduse institutsioon. Käesolevas töös käsitletakse tööandjate ja riigi rolli vähe ning peamine fookus on töötajate poolisel analüüsil. Töö on piiritletud ettevõtte tasandil toimuva esindatusega. Teisi tasandeid nagu tööstusharu, riigi või regiooni tasand ei käsitleta. Seda eelkõige seetõttu, et töötajate esindajaid analüüsitakse kui esindust tööandjate suhtes oma töökohal, mitte kui laiemalt poliitikakujundajat nt riigis. Selline ülesande piiritlemine võimaldab määratleda uuringu nii, et analüüs keskendub töötajate huvile omada esindatust töökohal. See on põhjendatud ka asjaoluga, et

Balti riikides on peamiseks ametiühingute ning töötajate esinduse tegutsemise tasandiks ettevõtte tasand.

Uuringus on töötajate esinduse vormidest enam tähelepanu pööratud ametiühingutele, kuna nende näol on tegemist laiemait mõju omava töötajate esinduse vormiga. Samas võib teistel töötajate esinduse vormidel olla sarnane roll ametiühingutega, seetõttu tuleb analüüsida ka teiste esindusvormide loomise motivatsiooni ning nende seoseid ametiühingutega.

Eesmärgi saavutamiseks püstitatakse järgmised uurimisülesanded:

1. Anda ülevaade teoreetilistest kontseptsioonidest, mis selgitavad töötajate otsust olla esindatud (ühineda ametiühinguga, luua ametiühing, luua muu töötajate esindusmehhanism) ja analüüsida teooriast tulenevaid aspekte Kesk- ja Ida-Euroopa riikide kogemuse põhjal, mis võiksid selgitada töötajate vähest esindatust Balti riikides;
2. Hinnata, kui paljud töötajad soovivad olla esindatud;
3. Analüüsida empiirilisel, millised tingimused selgitavad madalat töötajate esindatuse taset Balti riikides:
 - a. Analüüsida hinnanguid ametiühingute kasulikkusele ja vajalikkusele,
 - b. Analüüsida objektiivset tulu, mida ametiühingu liikmelisus toob,
 - c. Analüüsida võimalikke alternatiivseid töötajate esinduse vorme ametiühingutele;
4. Tuua välja praktilised järeldused töösuhte osapooltele Balti riikides.

Metoodika ja struktuur

Uuring on nelja autori poolt kaasautorluses avaldatud originaalartikli kogumik. Artiklid käsitlevad töötajate esindatust töökohal Eestis või Balti riikides tervikuna. Kuna ametiühingud on töötajate esindamise vanim ning ajalooliselt olulisim institutsioon, siis on suurem rõhk analüüsist ametiühingutel.

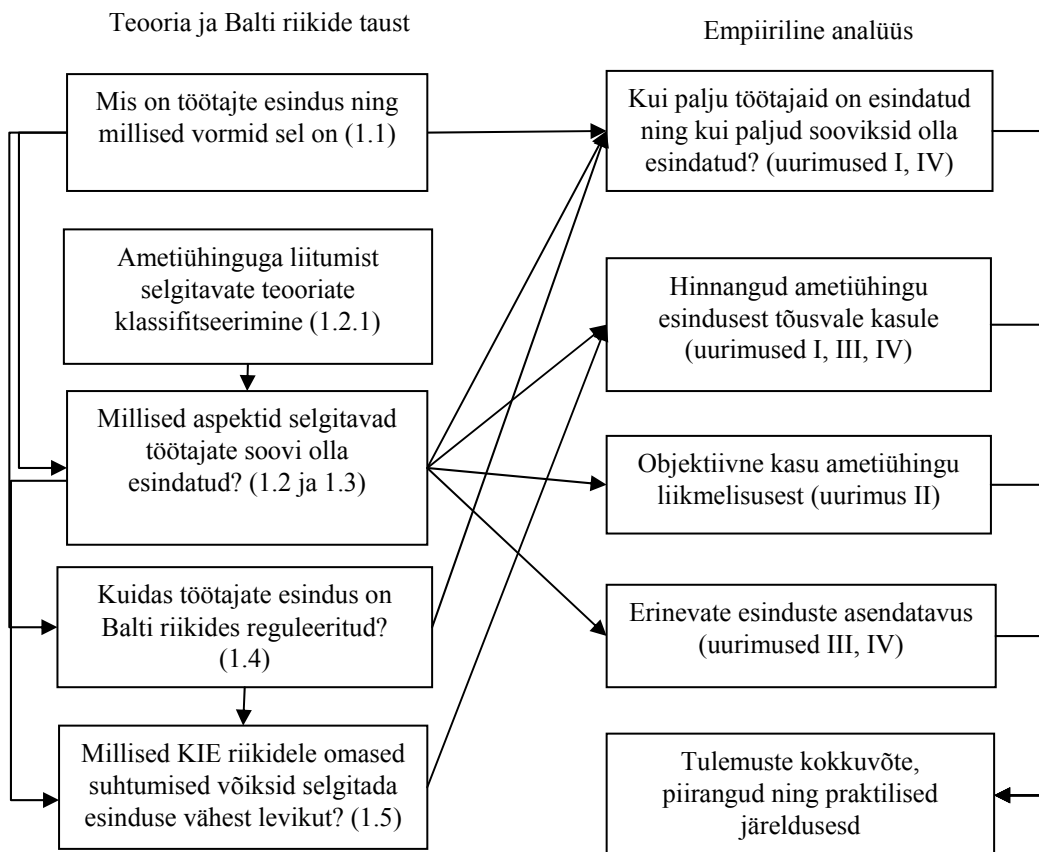
Empiirilistest uuringutest kaks põhinevad Balti riikides 2006. aastal läbi viidud ettevõtete ja töötajate ühendatud küsitlusel (BWEL 2006), üks põhineb 1999. aasta Eesti tööjõu-uuringul ning üks kahe spetsiifilise Eesti ettevõtte analüüsil. Empiirilistes uuringutes on kasutatud erinevaid analüüsimeetodeid. Analüüsimeetoditest kasutatakse lihtsaid protsentuaalsed jaotuseid ning risttabelleid, tõenäosuse alusel sobitamist ning üks artikkel põhineb juhtumianalüüsil. Juhtumianalüüsi raames viidi läbi tööandja ja töötajate esindajate intervjuud ning organisatsiooni töötajate küsitlus.

Töö koosneb laiemast teoreetilisest peatükist ning Balti riikide taustast ning teise osana empiirilistest artiklitest.

Esimene peatükk käsitleb laiemalt erinevaid teooriaid, mis selgitavad töötajate soovi ja otsust olla esindatud. Ametiühinguga liitumise otsust kirjeldavad lähenemised jagunevad laiemalt kolmeks üksteist täiendavaks teoreetiliste käsitluste suunaks: ratsionaalne valik, frustratsioon-agressioon ja interaktsionistlikud lähenemised. Ratsionaalse valiku kohaselt selgitatakse ametiühingu-liikmelisust kulude ja tulude võrdemisest tuleneva otsusena. Need lähenemised

sisaldavad lisaks majandusteoreetilistele lähenemistele ka käsitlusi muudest valdkondadest. Nt Klandermans (1984) kirjeldav lähenemine, mis põhineb osalemisest oodatavate kulude hindamisel võrrelduna oodatavate eesmärkidega, mida loodetakse osalemisest saavutada. Frustratsiooni-agressiooni teooriate korral eeldatakse, viha ja frustratsioon viivad agressiivse käitumiseni töandja vastu, milleks on ametiühingus osalemine. Interaksionistlikud lähenemised rõhutavad grupinormide ja -kultuuri olulisust ametiühinguga liitumisel. Teooriad ei ole üksteist välistavad ning praktikas leidub mitmeid käsitlusi, kus erinevaid teooriaid on läbipõimitult kasutatud, nt majanduslikud mudelid, mis selgitavad ametiühinguliikmelisust sõltuvana sotsiaalsetest normidest ning teiste käitumisest (nt. Booth 1985, Naylor 1989). Teoreetilistele käsitlustele ametiühingusse astumisele järgnevad teoreetilised käsitlused ametiühinguväliste töötajate esinduse tekkeks. Kuna siinkohal mängivad olulist rolli töandjad, siis tuuakse enam ka nende vaadet sisse.

Järgnevad kaks alapeatükki käsitlevad töötajate esinduse regulatsiooni ja olukorda Balti riikides ning teoreetilisi lähenemisi KIE riikide valguses, mis võiksid selgitada madalat töötajate soovi olla esindatud.



Joonis 2. Väitekirja struktuur

Allikas: autori koostatud

Teine peatükk sisaldab nelja empiirilist artiklit järgnevalt:

Uuring I analüüsib töötajate hinnanguid ametiühingute esindatuse efektiivsuse ja kasulikkuse osas. BWEL (2006) Balti riikides läbi viidud küsitlus-uuringu põhjal hinnatakse, kuidas erinevad töötajate grupid näevad kasu ametiühingusse kuulumisest ning milline on üldiselt ametiühingute maine. Töötajate osatähtsus, kes soovivad olla esindatud, leitakse, võttes aluseks kirjanduse, mis jagab esindust soovivad töötajad laiemalt neiks, kes on ametiühingu liikmed ning neiks, kes soovivad olla esindatud, kuid ei ole ehk esinduse lõhesse jäävateks (Farber 1983).

Uuring II analüüsib ametiühingu liikmete palkade suurust võrrelduna sarnaste töötajatega, kes ei kuulu ametiühingusse. Hinnatakse palgalõhe, mis on tavapärase mõõt, väljendatakse ametiühingute jõudu. Palgad on peamine läbirääkimiste objekt ning läbi mõju palkadele on ametiühingutel laiem mõju ka kogu majandusele. Kõrgemad palgad võiksid olla oluliseks huviks, miks ametiühingusse astuda, kui ametiühinguliikmelisus oleks seostatav suuremate palkadega. Kasutades sobitamise meetodit ning Eesti tööjõu-uuringu individuaalandmeid 1999. aastast, hinnatakse ametiühingu palkade erinevus.

Uuring III esitab juhtumiuuringutel põhineva analüüsi tulemused kahes Eesti organisatsioonis, milles on samaaegselt kaks erinevat töötajate esindajat (ametiühingu esindaja ja ametiühingusse mittekuuluvate töötajate esindaja). Juhtumiuuringute raames viidi läbi intervjuud asutuse tippjuhiga ja mõlema töötajate esindajaga ning töötajate küsitlus. Artiklis käsitletakse erinevate osapoolte hinnanguid mõlema esindaja rollile, mainele ning nende töö efektiivsusele töötajate esindajana.

Uuring IV käsitleb töötervishoiu esindajate olukorda töökohal Balti riikides BWEL (2006) küsitlus-uuringu põhjal. Hinnatakse nende levikut, töötajate teadlikkust selliste institutsioonide olemasolust, nende rolli töökoha töötervishoiu korraldamisel ning vaadatakse ka laiemalt hoiakuid töötingimuste korraldamiseks individuaalselt ja kollektiivselt.

Tabel 1. Ülevaade doktoritöö empiirilise peatüki uurimustest

Uurimus	Uurimuse pealkiri ja eesmärk	Empiirilised andmed
Uurimus I	„Post-kommunistliku ametiühingu-liikumise paradoks: sa ei saa tahta seda, mida sa ei tea tahta“ Eesmärk on hinnata, kui paljud töötajad soovivad olla ametiühingu poolt esindatud, milline on suhtumine ametiühingutesse – tajutud kasulikkus	Baltic Working Environment and Labour (BWEL) Survey 2006
Uurimus II	„Eesti ametiühingute jõu puudumine palkade mõjutamiseks“ Eesmärk on hinnata, kas ja kui palju teenivad ametiühinguliikmed enam kui ametiühingusse mitte kuuluvad töötajad – objektiivne kasulikkus	Eesti tööjõu-uuring 1999

Tabel 2. Järg

Uurimus	Uurimuse pealkiri ja eesmärk	Empiirilised andmed
Uurimus III	„Kaks esindajat, aga esindatust pole – kahe Eesti juhtumi analüüs“ Eesmärk on analüüsida, miks on loodud ametiühingusse mittekuuluvate töötajate esindaja ning milline on tema roll võrreldes ametiühingu esindajaga.	Juhtumiuuringud kahes Eesti ettevõttes (intervjuud tippjuhiga, töötajate esindajatega ning töötajate ankeetküsitlus)
Uurimus IV	„Töötajate hääl ja töökeskkond postkommunistlikes uutes EL-i liikmesriikides: Eesti, Läti ja Leedu empiiriline analüüs“ Eesmärk on hinnata, kui palju on töötajatel töökeskkonna küsimustes võimalik esindajate kaudu organisatsioonis kaasa rääkida.	Baltic Working Environment and Labour (BWEL) Survey 2006

Töö lõppeb uuringutulemusi kokkuvõtva peatükiga. Kokkuvõttev peatükk on üles ehitatud nii, et esmalt annab see kokkuvõtte iga empiirilise uurimise kohta eraldi ning seejärel on toodud üldisem kokkuvõtte uurimisküsimuste valguses.

Teoreetiline taust ja väited

Laiemalt võib jagada teoreetilised selgitused, mis põhjendavad töötajate otsust ametiühingusse astuda, kolmeks (vt. Klandermans 1986, Riley 1997, Frege 1996): ratsionaalse valiku, frustratsiooni-agressiooni ning interaktsiooni teooriateks. Tegemist ei ole üksteist välistavate teooriatega, vaid pigem läbipõimunud ning üksteist täiendavate teooriatega. Näiteks interaktsiooni teooriad selgitavad ka seda, milliseks kujunevad ratsionaalse valiku tegemisel tulud ja kulud.

Ratsionaalse valiku teooriad, mille alla kuuluvad ka majandusteoreetilised selgitused, eeldavad, et otsus ametiühinguga liitumiseks toimub tulude ja kulude kaalumise tulemusena. Kui töötaja võidab ametiühinguga liitumisest, siis ta astub liikmeks ja kui mitte, siis ta ei astu. Kuna ametiühingud pakuvad peamiselt avalikke hüvesid, siis saab kulude ja tulude võrdlusel põhineva lähene-misega selgitada ametiühingute eksisteerimist vaid täiendavate erahüvistega, mis peavad eksisteerima avalike hüviste kõrval (Schnabel 2003). Majandus-mudelites on käsitletud selliste erahüvistena nt. reputatsiooni (nt Booth 1985, Naylor 1989), erinevat vallandamise tõenäosust ametiühingu liikmetele ning mitteliikmetele jmt (nt. Booth and Chatterji 1995, Jones and McKenna 1994). Nt töötajate tulu reputatsioonist, mis kaasneb ametiühingu liikmelisusega ning mida neil on võimalik töökohal valitsevate normidega kooskõlas olemiseks saada, on seda suurem, mida suurem on ametiühingu liikmelisus töökohal ja ühiskonnas laiemalt. Ametiühingu liikmete arvust ning sotsiaalsetest võrgus-tikest sõltub ka see, kui palju ebakindlust seondub igal konkreetsel töötajal kulude ja tuludega, mida ametiühinguliikmelisus kaasa toob (Gomez and

Gunderson 2004). Mida suurem on varasem kokkupuude ametiühingutega ja ametiühinguliikmete arv ühiskonnas, seda kindlamalt suudavad ka inimesed hinnata, millised tulud ja kulud neile võivad sellest tuleneda. Ametiühingu liikmete arvust sõltub suuresti ka see, mida ametiühing on võimeline saavutama. Mida suurem on ametiühingu liikmete arv, seda tõsiseltvõetavam on streikimise ähvardus ning töandja kahju kokkuleppe mittesaavutamisest. Seetõttu on ametiühingusse astumine ja ametiühingu poolt saavutatavad tulemused simulaansed protsessid. On näidatud, et kui ametiühingu liikmelisus langeb alla teatud taseme, siis ei ole ametiühing võimeline enam eksisteerima (Booth ja Chatterji 1993).

Laiemalt tegelevad ametiühingud kahe veidi erineva suunaga (Freeman ja Medoff 1984): lisandväärtuse ümberjagamine ning töötajate „hääle“ kuuldavaks tegemine töandjale. Töötajate „hääle“ kuuldavaks tegemine tähendab siinkohal informeerimist, konsulteerimist ja kaasotsustamist ilma kollektiivse läbirääkimise käigus kasutatava streikimiseta. Töötajate informeerimise ja konsulteerimise roll aga ei ole ametiühingute ainuõigus, vaid selles osas on nii töötajatel kui töandjatel võimalik valida erinevaid kanaleid (nt otse kõikide töötajate kaasamine, mitteametiühingulise töötajate esindaja (*non-union employee representative*, edaspidi NER) valimine, olemasolevate töötervishoiu esindajate tegevuse laiendamine). Informeerimisest ja konsulteerimisest tulenev tulu seisneb selles, et töökohalt lahkumise asemel saavad töötajad oma probleemid esindaja kaudu viia töandjani, kellel on võimalik vajadusel reageerida. Töötajatel on vaja esindajat probleemide edastamiseks töandjale, kuna tegemist on kollektiivse hüvega, mis esindaja olemasoluta jääks pakkumata.

Frustratsiooni-agressiooni teooria kohaselt selgitatakse ametiühinguga liitumist kui agressiooni töandja vastu (McClendon *et al.* 1998). Ametiühinguga liitumiseks peab töötajatel olema tekkinud rahulolematust, mille lahendamise instrumendina nad näevad ametiühingut. Lisaks sellele peab olema üldine ametiühingute maine positiivne. Samas ei ole rahulolematust ei vajalik ega ka piisav tingimus selleks, et ametiühinguga liitumise kasuks otsustataks (Schnabel 2003). Mõned autorid (Kelly 1997, Johnson and Jarley 2004, Buttigieg *et al.* 2008) rõhutavad, et oluline ei ole mitte rahulolematust üldisemalt, vaid ebaõigluse tunne, mis on ajendiks ametiühingu esinduse otsima hakkamisel. Ebaõigluse tunne on suhtes kellegi teise või teise grupi inimestega. Interaktsionistlikud teooriad selgitavadki ametiühinguga liitumist grupiga samastumise ning meie-nemad tunde olemasoluga (Schnabel and Wagner 2007). Kuna inimesed identifitseerivad end erinevate gruppide liikmetena, siis selleks, et ametiühinguga liituda, peavad nad tunnetama end selle grupi osana.

Töandja vaatenurgast ei ole töandjal huvi ametiühingu tekkeks või olemasoluks organisatsioonis, kui ametiühing jagab lisandväärtusest suurema osa töötajate kasuks ümber võrreldes täiendava lisandväärtusega, mida ta loob. Nagu öeldud, võib ka ametiühingule alternatiivsete töötajate esinduse struktuuride kaudu korraldada töötajate kaasamise, seejuures annavad need töötajatele väiksema jõu lisandväärtuse ümberjagamiseks kui ametiühing. Seetõttu

on töandja pigem huvitatud alternatiivsete esindusmehhanismide tekkest organisatsioonis võrreldes ametiühingu tekkega.

Tuginedes varasematele uuringutele KIE riikides ning teoreetilisele käsitlusele, püstitati väited, mille paikapidavust empiirilistes uuringute põhjal hinnatakse (väited ning uuringu tulemus on esitatud alljärgnevas tabelis ning pike-malt selgitatud järgnevas alapeatükis).

Tabel 3. Väited ning kokkuvõtlikult uuringutulemused

Väide	Tulemus
Uurimisülesanne 2: Määratleda, kui palju töötajaid soovib olla esindatud	
Väide 1: esindatuse lõhe on suur	Ei leidnud kinnitust
Uurimisülesanne 3a: Analüüsida hinnanguid ametiühingutele	
Väide 3: töötajad ei usu, et ametiühingud on kasulikud või on ebakindlad kasu suhtes, mida ametiühingusse kuulumine toob	Kinnitatud
Väide 4: ametiühinguid üldiselt peetakse vajalikuks	Kinnitatud
Väide 5: ametiühinguid nähakse kui nõukogudeaegset, iganenud organisatsiooni	Ei leidnud kinnitust
Uurimisülesanne 3b: Analüüsida objektiivset kasu ametiühingusse kuulumisest	
Väide 2: ametiühingu liikmelisusega seondub väike v olematu palgalisa	Kinnitatud
Uurimisülesanne 3c: Ametiühinguid asendada võivate ametiühinguväliste töötate esindajate analüüs	
Väide 6: Töötajate ametiühinguvälise esindaja asendab nõudluse ametiühingute esinduse järele	Ei leidnud kinnitust
Väide 7: Töötervishoiu esindajad täidavad laiemat rolli, kui võiks eeldada nende nime põhjal ning asendavad seetõttu nõudluse ametiühingu järgi	Ei leidnud kinnitust

Analüüsi tulemused

Erinevad teooriad käsitlevad ametiühingusse kuulumise otsust läbi ametiühingute kasulikkuse/instrumentaalsuse. Instrumentaalsus on Newton ja Shore (1992:279) kohaselt „... arvutuslik või utilitaarne suhe ametiühingutesse, mis põhineb esindatusega kaasnevate kulude ja tulude kognitiivsel hinnangul“. Ametiühingu poolt esindatud inimeste arv ning ametiühingust soovivate inimeste arv ei ole otseselt võrdne ametiühingu liikmete arvuga. Osa töötajaid soovivad olla ametiühingu poolt esindatud, kuid ei maksa selle eest, kuna on võimalik esindusest tulenevad kasud saada ka tasuta kätte. Lisaks sellele on osa töötajaid, kes sooviksid olla ametiühingute poolt esindatud, kuid nad ei ole valmis ise uut ametiühingut looma, kuna see on liialt kallis ning juba olemasoleva ametiühinguga organisatsioonis, ei ole nad töökohta saanud (Farber 1983). Seega jagunevad ametiühingu esindust soovivad töötajad kaheks grupiks, need, kes on ametiühingu liikmed ning need, kes ei ole, aga sooviksid

olla. Viimast gruppi nimetatakse ka esinduse lõheks või frustrerunud nõudluseks.

Ametiühingu liikmelisus Balti riikides on väga väike. Ametiühingud esindavad vähem kui 10% töötajaskonnast Eestis ja Leedus ning veidi enam Lätis. Samuti on väike ka leitud esinduse lõhe (17–22% esindamata töötajatest sooviks, et nende organisatsioonis oleks ametiühing) (Uurimus I). Samas leiti uuringus huvipakkuvana, et on olemas eraldiseisev grupp töötajaid, kes ei ole ametiühingute vastu, ega poolt ega ka ükskõiksel seisukohal, vaid leiavad, et nad ei oska otsustada, kas nad soovivad olla ametiühingu poolt esindatud. Selliste töötajate hulk on veerand või enam töötajatest, kes töötavad ilma ametiühinguta organisatsioonis.

Nimetatud gruppi töötajaid iseloomustab see, et nad ei oska ka hinnata, kas ametiühinguliikmelisus toob mingit kasu. See asjaolu näitab, et on suhteliselt suur hulk töötajaid, kelle jaoks ei ole kasu ametiühinguliikumisest selge, mistõttu nad ei oska ka otsustada. Samas töötajate gruppide seas, kes on selgelt kasu ametiühingu poolt v vastu oma organisatsioonis, on ka enam töötajaid selgel seisukohal, kas ametiühingud toovad kasu v mitte.

Juhtumiuuringud (Uuring III) annavad teatud selgitust selle osas, millest võib tuleneda olukord, et töötajad ei oska hinnata kasu, mida toob töötajate esindus. Kahes organisatsioonis, kus olid olemas nii ametiühingusse mittekuuluvate töötajate esindaja kui väikese (st vähe töötajaid hõlmava) ametiühingu esindaja, leidsid nii töötajad, tööandjad kui ka töötajate esindajad ise, et nende esindustöö ei ole efektiivne. Konkreetset juhul ei olnud organisatsioonis töötajate esindusele olulisi töötajate kaasamise korraldamise funktsioone ette nähtud, neil oli väga vähe aega töötajate esindusega tegeleda ning tulemuseks oli nende marginaalne roll ja seega ka olematu kasu nii töötajate kui tööandja silmis.

Vähene soov olla esindatud ning raskus hindamisel, kas ametiühingud on kasulikud, võib tuleneda sellest, et ametiühingute võimalikku funktsiooni töötajate esindajana tööandja ees ei tunta (Uuring I). Kergemini hinnatavate palkade erinevus, mis tuleneks ametiühingute esindatusest, on olematu (Uuring II) ning vähem silmapaistvaid ja raskemini hinnatavaid väärtuseid ei tajuta. Käesoleva töö põhjal võib hinnata, et 2000ndate keskpaigas leiavad enamik töötajatest (83% Eestis – 69% Lätis) leiavad, et nad ei tea või neil on raske hinnata, kuidas ametiühingud töötavad.

Samas, kuigi töötajad ei näe, mis kasu võiks ametiühingusse kuulumine tuua, on üldine ametiühingute maine positiivsem. Vaid u kümnendik arvab, et ametiühinguid ei ole tänapäeval vaja (Uuring I). Seega on Balti riikides olukord, kus ametiühinguid ei nähta instrumentaalsetena, samas laiemalt leitakse, et selline institutsioon on vajalik.

Ei ilmne, et ametiühinguvälised töötajate esindajad asendaks ametiühinguid (Uuring III) ning seetõttu ei ole nad ilmselt ka põhjuseks, miks ametiühingute esindust niivõrd vähe soovitakse. Kahe organisatsiooni, milles olid nii ametiühingu kui ametiühingusse mittekuuluvate töötajate esindaja, analüüsimisel

selgus, et üks esindusvorm ei ole teisest oluliselt parem. Mõlemad töötajate esindusvormid loeti erinevate osapoolte poolt ebaefektiivseteks. Tegemist on erinevate osapoolte hinnangule selle kohta, kuidas kas esindajad täidavad oma funktsioone hästi. Uuringu põhjal ei saa kinnitada, et ametiühinguväline esindaja asendaks ametiühingu esindaja tegevust.

Samuti ei ole töötervishoiu esindajad väga tugeval positsioonil töötajate esindamise osas (Uuring IV). Vaatamata sellele, et tööandja hinnangul on töötervishoiuesindajad olemas peaaegu kõikides organisatsioonides, kus see on nõutud, ei tea ligi pooled töötajatest nende olemasolust. Samuti peetakse töötervishoiuesindajate rolli informeerimise ja konsulteerimise protsessis üldiselt marginaalseks võrreldes alternatiivsete kanalitega.

Töötajate hinnangud töötingimuste määramise osas ei toeta kollektiivset esindatust (Uuring IV). Suur osa töötajaid on seisukohal, et töötingimuste üle tuleb töötajail rääkida läbi tööandjaga individuaalselt (isegi töötervishoiu, aga eriti töötasude osas). Seega on Balti riikide näol tegemist individualistlike töötajaskondadega, mis selgitab samuti, miks töötajad ei ole olnud väga varmad uusi ametiühinguid looma.

Kokkuvõttes leiti uuringus, et Balti riikides on üks teoreetilises kirjanduses varem käsitlemata oluline ja suur grupp töötajaid, kes ei oska otsustada, kas nad soovivad ametiühingu esindust ning neid iseloomustab ka see, et nad ei tea, kuidas ametiühingud funktsioneerivad ning millist kasu sellest võiks saada. Samas ametiühingute üldine maine ning üldisem ootus nende vajalikkusele näitavad seda, et ametiühinguid tervikuna ei peeta ebaoluliseks. Samuti ei leitud, et ametiühinguvälised töötajate esindajad oluliselt asendaksid ametiühinguid. Seetõttu võiks arvata, et ametiühingutel võiks olla oluline võimalus töötajate laiemaks kollektiivseks esindamiseks. Siiski ei toeta sellist arengut üldisem individualistlik suhtumine sellesse, kuidas töötingimusi korraldama peaks.

Soovitused edasisteks uuringuteks

Uuring keskendub töötajate soovile olla esindatud, kuid praktikas ei ole töötajate esinduse kujunemine ainuüksi töötaja, vaid suuresti tööandjast sõltuv otsus. Seetõttu tuleks edasistes uuringutes ka tööandjate seisukohti ning tegevust selles valguses uurida. Samuti on riigi ja regulatsioonide roll ning võimalik asendus töötajate esindamisele huvipakkuvad küsimused, mida tuleks lähemalt hinnata. Lisaks oleks oluline vaadata, kuidas töötajate hinnangud organisatsiooni tasandil on seotud töötajate esindamisega kõrgematel tasanditel. Käesolev uuring vaatab töötajate esindamist ainult organisatsiooni tasandil, aga sotsiaaldialogi osas on olulised ka teised tasandid, nagu sektori ja riigi tasand.

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