

HUMAN RESOURCES MANAGEMENT (HRM) AND TRADE UNIONS' COMPATIBILITY: 'SOFT-HARD' MODEL DIGESTION FOR HUMAN CAPACITY BUILDING AND SUSTAINABLE PRODUCTIVITY AT WORKPLACE

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Abstract

This paper aims at critically discussing the assumed incompatibility between human resources management (HRM) (managerialism) and (unionism) Trade Unions (TUs). It refutes such incompatibility and includes the role that TUs may play to compatibly coexist with HRM. The significance of this analysis highlights importance of the compatibility of HRM and TUs in promoting profitable industrial relations in productivity, protection and welfare of the employees, preservation of their jobs, as well as cultivating the most suitable positive work culture and work attitudes through utilizing compatibility and team work between HRM and TUs. Part of the problem statement is that these two are thought to be competing enemies in the workplace. HRM pushes for maximum productivity/hard and long working hours but at the lowest possible labour cost far below a living wage. Thus, HRM is regarded as a mode of 'slave driving' at workplace while TUs are there to struggle for unlimited increased leisure and benefits in a work place. Discussing the new role of TUs in HRM will do the refutation of this incompatibility and foster harmony and a 'win-win' situation, opposed to zero sum one. This will also include among others, things that TUs may change or do to coexist with HRM. The organization of the essay will therefore sequentially have definition of major concepts, that is HRM, its two models and TUs, concerns on HRM and TUs' compatibility, current responses of TUs to HRM, flaws in HRM implementation justifying co-existence with TUs, HRM impact on workers, TUs possibilities bringing compatibility with HRM, incompatibility refutation and lastly analytical conclusions.

Keywords: Human Resources Management (HRM), Trade Unions (TUs), soft model of management and hard model of management

INTRODUCTION

This paper critically discusses the wrongly assumed incompatibility between human resources management (HRM) (managerialism) and (unionism) Trade Unions (TUs). It is an expository analytic debate for promoting *human capacity building and sustainable productivity* at workplace by highlighting the backing and positive role that TUs can contribute in industrial relations vis-à-vis HRM generally thought to be a labour management mode for slave driving at work place.

Since 1960s, market demands in form of customer or consumer real effective wishes and desires have been having significant impact on the production processes, work organization and relations. Therefore former production model of treating workers as expendable with labour separated inflexibly in rigid instructive structures had to change. Markets globalization process of competition, especially by Japanese cars making companies also intensified the changes. This was further accelerated by markets liberalization demands as lending conditionalities (structural adjustments programmes) by World Bank and International Monetary Fund to countries in early 1980s. Quickly changing technologies needing flexible and suitable organizations and workforces also contributed. In addition, enhanced workers' education and training caused them to demand more participation and satisfaction in their tasks at both decision-making levels and shopfloor levels. Fast maturing of information and communication systems calling for conducive environment and responsiveness by

enterprises enforced work organizational changes too (O'Hehir and O'Mahony, 1993:14-15).

Cost effectiveness, quality and efficiency in production for the market became necessary. This affected labour relations and its structures requiring it to respond to global market competition. This is confirmed by de Silva's statement embracing so many elements of human resources management being globalization, liberalization, privatization, consumer oriented, and market driven competitiveness and continuous improvement in productivity, flexibility and innovation, labour casualization and delayering and human resources development or new industrial relations and so on as follows:

"Countries are more economically interdependent than before, particularly in view of foreign direct investment interlocking economies, as well as increased free trade....breakdown of trade barriers.....Governments are increasingly less able to control the flow of capital, information and technology across borders. There has been de-regulation of financial and other markets and the integration of markets for goods, services and capital...de-nationalization of enterprises....production of goods and services acceptable to the global market, and the convergence, largely, of consumer tastes across border determined by quality. This means..., the necessity for high quality skills at all levels

to attract high value-added activities, as distinct from cheap labour low value-added ones, and improvements in productivity (De Silva, 1998:1)".

Definitions of Concepts, HRM and TUs HRM

HRM is the latest dimension of management of people in the workplace, production process, work organization and relations firstly adopted by Japanese car making industries. However, there was before it what used to be called 'mass production'. In this earlier method, production was not customer oriented and therefore lacked variety. It was based on Taylorism ideas of the conveyor belt for mass production, labour control and therefore repetitive monotonous tasks inclined to less thinking and workers' alienation.

There was also an uneconomic situation of mass production in recognition of the concept rule 'just in case' something goes wrong there should be inventories, reserved raw materials, manpower and too many disaggregated machines-buffers. These conditions in combination with already indicated market trends, globalization and liberalization cultivated a conducive environment for the introduction of new contrary way of production process, work organization and relations. Due to differing cultural environments and barriers, HRM has been adopted to different degrees in different countries. Therefore there is no definite definition of HRM or lean production though there are following specific generic qualities it has; autonomous team work or cellular production with functional flexibility which is almost job rotation, continuous improvement process (Kaizen/CIP) within the production process and not at the end for

increased productivity, quality improvement and cost reductions on permanent basis for more efficiency. Furthermore, it includes the zero defect principle, 'just in time' principle as opposed to 'just in case', customer orientation, research culture, unitarist enterprise culture, integration of suppliers, workers' multi-skilling and career development for horizontal and vertical manpower movement and disaggregated performance knowledge experience driven rewarding system, work councils for employees' involvement in decision making by their own representatives (O'Heir and O'Mahony, 1993, Truss, 1997 and Guest, 1995).

Workers are in here given autonomy and responsibility to attain their loyalty, efficiency and commitment to their work. While it removes buffers, HRM may be a two-pronged approach that is soft and hard; the former one mainly includes giving trust, autonomy and responsibility to the workers, workers' career development and training while the latter emphasizes treating labour just like other resources. That is there should be labour minimization through production and performance monitoring and technological devices (O'Hehir et al, 1993).

In defining HRM, a distinction is thus normally established between a "soft" model and "hard" model. Involvement of workers is done through these two HRM models. The two are premised on two different perspectives of human character explained by McGregor's theory Y and theory X. Differences in explanations of the two models within these theories are illustrated here below:

Soft Model/Theory Y

Assumption is that people like work and seek fulfillment in it.

Control of labour through labour commitment.

Based on human relations and uses individual talents.

Self-regulated behaviour, self-control and self-direction.

Management pursue labour development to increase productivity.

Relations are based on workers being trusted and given autonomy.

Equated to flexibility objectives and adaptability at work.

Hard Model/Theory X

Assumption is people do not like work and need to be made to work harder.

Tight strategic control of labour by management.

Sanctions and external control on performance.

Strategic close direction and integration.

Fit labour with business strategy.

Quantitative, calculative, business-strategic managing within low trust.

Rigid organization's pursued competitive aims to survive (Truss, 1997).

Generally, no pure application of one of the two is easily found. The two are combined to differing degrees for competitive advantage and quality. Basically, soft

version encompasses workers commitment, trust, autonomy and more responsibility given to workers and development of their career. The hard version considers close management or control, performance appraisal and monitoring (Truss, 1997: 53 – 58).

Comparatively defining HRM may also involve the context of a shift in managing people usually termed as a

CIR Characteristics

Conflict resolution.
Personnel is a function of low level.
Relations are collective.
Approach to organization is pluralistic.
Conflict is seen as inherent.
Labour is a commodity.
Skill recruited from labour market.
Recruitment at any level.
Employment link is tenuous.
Workers to meet targets.
Faith placed in job description.
Individual responsibility for results.
Motivation through instant reward.
Payment for what you do.
Wages on market rate.
It is the job that is rated.
Firm is shareholders' property.
Objective is high dividends.

TUs

The structured participation and definition of trade union in HRM affirms compatibility or coexistence of the two. Their objectives are not necessarily conflicting though they need to complement each other to overcome slight differences in emphasis and respond to external and internal demands for survival, though it is not the task of this paper to dwell on such similarities or differences. Generally, trade union can be regarded as an organized association of employees created to protect and promote their interests. (Liebeck and Pollard, Oxford English Dictionary, 1995). Its qualities and objectives may be defined within the theoretical framework of so-called industrial relations aiming at the following as de Silva (1998: 7 – 8), also puts it.

The efficient production of goods and services and at the same time, determination of adequate terms and conditions of employment, in the interests of the employer, employees and society as a whole, through consensus on labour policy at national level. The establishment of mechanisms for communication, consultation and co-operation in order to resolve workplace issues at enterprise and industry level, and to achieve through a tripartite process, consensus on labour policy at national level. Avoidance and settlement of disputes and differences between employers, employees and their representatives, where possible through negotiation and dispute settlement mechanisms and provide social protection where needed, for example in the areas of social security, safety and health, child labour, and so on. Establishment of stable and

change in labour relations. The former labour relations are precisely known as 'conventional industrial relations' (CIR) while the latest refer to HRM. Various researchers and authors portray the shift and differences in various ways, which may be aggregated concisely as follows:

HRM Characteristics

Commitment building towards work.
It is integrated into the corporate policy.
Relations are with the individual.
Approach is unitary.
Conflict is due to poor management.
Labour is the most valuable resource.
Skill developed through training.
Recruitment only usual at the lowest levels.
Employment is for life.
Continuous improvement expected.
Flexibility is key to performance.
Group responsibility.
Lifetime rewards motivate.
Payment for knowledge.
Wages based on seniority, age and merit.
An individual is rated.
Firm is a company of co-workers.
Management makes long-term investment & profits views.
harmonious relations between employers and employees and their organizations, and between them and the state.

General Concerns on Compatibility between HRM and TUs

Then if HRM is so good bringing about efficiency, profit maximization and guaranteed competence and thriving of companies and thus maintained jobs and jobs multiplication, why the question of incompatibility between TUs and itself? The TUs are also interested in these goals for the welfare of their members. Nonetheless, there is a concern that in some cases deceiving HRM unitarist culture could disguise genuine conflict of interest on some issues. Well, this may be possible if workers and trade unions do not set an agenda and do not strive to participate at all relevant levels of decision-making.

There is no doubt again that the role of the trade union, its traditional (adversarial) strength of bargaining power and solidarity will be weakened. Unions may be by-passed by management and get their support to workers reduced. Hence the feeling that relevance and value of union membership is questionable in HRM. The issue is that new forms of workers' representation like teams or work groups can effectively pursue issue of solidarity and common workers' interests with the backing of their trade union and its networks. New work organization initiatives may result in an intensification of work and management by stress due to multi-skilling, functional flexibility and demanded competence under performance monitoring. This one requires workers' unions to effect changes on labour laws to counteract the defects of HRM in general. Unions are also concerned about jobs

casualization and downsizing and delayering, relative deskilling and simple forms of job rotation to meet specific company needs of super profits. So, job losses from downsizing reduce TUs membership and short contracts make it difficult for TUs to mobilize workers for action and may be even for politicking (Truss, 1997 and O’Heir and O’Mahony, 1993).

Individualistic reward system attached to performance appraisal diminishes salary grade and hence unions’ solidarity as well as loyalty and commitment of workers to the union. There cannot be dual commitment. This raises a concern for the need for more equitable sharing of rewards and benefits. The fear is that when collective bargaining dies then the TUs will no longer be the rescuers of workers but will become redundant. If TUs also adopt the responsibility of production and marketing information, inequity and redundancy/low productivity can be avoided, thus promote *human capacity* and *sustainable productivity* (Canada Customs Revenue Agency, 2000 and O’Heir and O’Mahony, 1993).

Current Responses of TUs to HRM

Generally, TUs to differing degrees have sometimes been defensive, diversified their activities, moved away from politics, introduced changes at the level of entrepreneurship and at times became ambivalent due to lack of education on HRM. According to O’Heir and O’Mahony (1993 :6 – 7), union responses are still evolving though so far they have categorically been of opposition, practical skepticism and of shaping the agenda. Opposition response means that unions view the changes as resembling the desire for an environment where they do not exist so they maintain their adversarial relations by opposing. This may result in TUs being irrelevant to workers because their interests are not pursued in changing circumstances.

Practical skepticism response implies that TUs skeptically need to provide guidance to workers and determine the nature of workers’ involvement and participation in every issue at all levels of decision making, though this may weaken strength of TUs in collective bargaining. The response of shaping the agenda by TUs enables them to predetermine work organization and productivity and easily maintain workers’ interests. These responses indicate potential compatibility between TUs and HRM by themselves if unions accept the fact that they need to be skeptical of HRM process and provide guidance to their members for meaningful involvement and participation. This is self-directive analysis already for a role to play in HRM (Godwin, 1974, Marchinton and Storey, 1995: 128 and International Labour Organization, 2000).

HRM Implementation Flaws Requiring TUs Complementarity

Furthermore, HRM may not be able to deliver positively, that is having little impact on values and commitment thereby failing to win workers’ hearts. In such a case where management is not delivering or fulfilling better working conditions, then TUs coexistence is ultimately

enforced. Sometimes when hard HRM version is used resulting in for example, delayering, and the caused anxiety mobilizes support for trade union as a safeguard and safety net. In cases where big numbers of people are employed management may be inclined towards preserving collectiveness due to its convenience. Operational difficulties to HRM like that, including management lacking enough skills and education in combination with mutually beneficial collaboration between management and TUs enforce compatibility between the two. In HRM there is need for a workers representation and promotion of their interests at the shop floor level, economic decisions level, policy making, codetermination and profits sharing thereby justifying TUs participation, though in a less confrontational manner but promoting *human capacity* in *sustainable productivity* at workplace (Guest and John, 1995: 121 and Jean-Jacques, 1984).

Quality, flexibility, commitment and integration may not be compatible (hard and soft models) in implementation and could be difficult to achieve. This may in itself justify union existence to promote *sustainability* and *capacity*. Numerical, wage and functional flexibility may be contradictory in HRM implementation. For instance labour casualization or short-term contracts may pose a threat to workers’ commitment and hence unionism co-existence with HRM due to its shortcomings in implementation. Generally from researches, many authors believe that instead of workers’ commitment going to management it has gone to work group or teams, which is local unionism being compatible with HRM. So, at the rhetoric level HRM may be unitarist but differ in practice causing workers’ support for unionism and representation at various levels of participation to promote and continue protecting their interests. In many companies first-line managers and supervisors have work overload and are not trained properly in methods of workers involvement, this may also limit HRM impact on commitment and performance and as such create an opportunity for TUs to either train the workers in effective communication or communicate workers’ opinion and organizations aims. After all there is no research evidence to confirm that HRM on the whole has increased productivity. It is also superimposed on existing industrial relations structure (Truss, 1997: 57 – 58, Marchington et al, 1995: 295 – 296 and Dafinone-Mowoe, 1997: 92). Work intensification caused by HRM and tight strategic control sort of puts workers under pressure and may cause stress, which justifies and promotes workers’ interests to seek TUs intervention (Leisink, Leemput and Vilroks, 1996, Moonilal, 1998 and Ramaswamy and Schiphorst, 1998).

HRM Impact on Workers in Practice

HRM aims at employee involvement or participation in work organization, increased productivity and quality. It thus affects workers attitudes and performance. There is less evidence that HRM increases employees’ commitment to their work and even that commitment increases productivity. It has been established, however, that workers prefer consultative approach so that they

may influence decisions on issues that affect them. Most workers from researches are found to be in most support for profit-sharing ownership so long it increases their money pay. Generally, workers feel that HRM team briefing, involving them has no impact except when it is done daily like in Japanese companies. This points to the fact that HRM still needs TUs to continue cultivating a preferably conducive environment for promoting *human capacity* building and *sustainable productivity* at workplace. Nonetheless, gain sharing and self-directed work teams do effect workers' attitudes while job enrichment and quality of work life induce just the intermediate effect. Quality circles and representative participation have little effect on workers. Many authors are skeptical of HRM impact on workers' attitudes and performance. Infact there is reasoning that work intensification resulted in worsening work conditions in some cases. Communication between managers and workers has not necessarily improved considering the fact that workers ideas from quality circles are not implemented. It may thus not be said that organizational performance in HRM increased. HRM has instead been blamed mainly for procedurally creating workplace where TU is derecognized. In a certain sense workers become powerless and management more powerful since team briefing deprives TUs to veto critical management decisions which individual employees have no much ground to resist (Marchington et al, 1995 : 296 – 300 and International Labour Organization, 2000).

Truss (1997), argues that there is no evidence that a tight fit (hard HRM model) leads to increased productivity or positive outcomes. So, HRM may not bring commitment of workers and the notion of fit reflects inflexibility, rigidity, integration and tight control. Understandably such performance control creates pressure and stress on workers. HRM may be non-strategic, contradictory and reactive in terms of its priorities sometimes conflicting. It includes for example commitment, flexibility and quality, which are ambiguous and controversial concepts. In practice these concepts are complex for workers and incompatible with integration. There is still no proof therefore that committed workers are more productive. This situation still justifies TUs co-existence for joint efforts for improvements in productivity and on workers' needs and interests (Spyropoulos, 1985 and Taylor, 1994).

TUs Possibilities for Compatibility with HRM

According to Lucio and Weston (1992), TUs strategies or possibilities for compatibility with HRM include among others being proactive. TUs here focus on structural and organizational issues co-coordinating reactions to HRM. This alleviates weakening impact that HRM may have on unionism and collective bargaining due to its individualistic approach to employees. Such impact is also strategically approached by TUs decentralizing collective bargaining on issues like workers' development, participation and equity to reduce management dominance. TUs have also formed policy guidelines for response to HRM to facilitate each TU individual response; this enhances their co-existence with

HRM. The guidelines to some extent include the compromise and partnership strategy where necessary, like when economic conditions are unfavourable raising unemployment. This promotes *human capacity* building, job security and *sustainable productivity* at workplace.

Furthermore, unions also adopted the strategy of holding onto their independence. This is meant to reduce management direct communication to the worker paralyzing unionism. That is while HRM was being introduced they particularly sought a guarantee for their independence. This was stimulated by the fact that decentralization of bargaining and representation across production levels made TUs organized response difficult. So, they enhanced their communication systems with their membership. TUs have also introduced shop steward role to oversee shopfloor level activities. TUs maintained their independence by forging formal agreements that retain collective principles, rights and traditions within HRM. TUs through conferences organized themselves for information exchange and assessing of HRM implications and took necessary initiatives that form part of regional and national educational material forging compatibility. Strategies that have been followed per case and per country have largely been influenced by the historical industrial relations and hence in some cases TUs never took any initiative or response (Korean Paper Part II, 2000 and Lucio and Weston, 1992: 77 – 89).

One other strategy TUs have followed is information research and exchange on HRM. Information is sought from academic and non-academic institutions to increase *human capacity* in initiative taking or strategies in HRM implications. The fact that HRM may not displace worker representation and destroy workers' loyalty to working teams, TUs' possibilities for compatibility with HRM being partnership with management, decentralized collective bargaining and independence recognition despite HRM introduction, co-existence will continue to be in place (Kuen, 2000 and Thomas, 1995).

The Compatibility of HRM and TUs

We have already learned some degree of compatibility between the two (HRM and TUs) from their definitions, objectives and nature though some lack of preparedness by TUs justifies above diverse reactions. De Silva (1998:9), states that, "... HRM is not per se anti-union and its central themes are not necessarily inconsistent with unionism." Though HRM does not focus on collective bargaining as industrial relations or some TUs do or would wish. Collective bargaining may be understood as a process encompassing all mechanisms brought in to reach a consensus between TUs and employers. When viewed in this way conflict is reduced and compatibility suffices, promoting *human capacity* building and *sustainable productivity* at workplace.

Flexibility versus Standardization

Concerning flexibility in HRM as opposed to standardization by TUs for internal equity, on functions, working time, pay and types of contracts, the

decentralization of collective bargaining to the workplace by unions is essential through team works while backing such team works. Furthermore, this provides TUs an opportunity to be involved in issues, other than only wages and related ones, such as technology introduction, new work processes, and organization to effectively pursue workers' interests and promote *human capacity* building and *sustainable productivity* at workplace. TUs therefore need to be willing to participate and co-operate on legitimate measures to achieve competitiveness and adapt to the realities of external market and workplace demands.

Decentralized Collective Bargaining

The context of TUs decentralization of collective bargaining reflects change in bargaining strategy from quantitative demand aiming at monetary benefits to qualitative matters indicating changes in the structure of labour markets and working conditions. Strategic bargaining that forges the survival of TUs in HRM may now include job security, working hours reduction or better work shifts, safe and improved working conditions and skill premised pay methods, thus increased *human capacity* and *sustainability* in production at workplace (Dafinone-Mowoe, 1997: 90 and Celis, 1995).

It has indeed become a necessary strategy for TUs to adopt wider collective bargaining concessions, that is extension of collective bargaining to be able to proactively promote workers' interests in fast changing technologies affecting work organization and unionism. This strategy is co-operative with the rationality of production re-organization and workers in response to competitive market environment and demands. Extended collective bargaining can be effective in influencing new technological policies and decisions at workplace for workers' benefit and therefore unionism. Technological innovations or modernization sometimes induce labour input reduction policies and closer management controls on production which may result in job insecurity, stress on workers due to production intensification and other consequences. Extended collective bargaining may creatively humanize workplace being adversely affected by technology changes or modernization. This bargaining extension may increase *human capacity* in dealing with myriad negative issues from technology including ecological hazards from chemicals, occupational hazards and so on (Celis, 1995 : 103 – 106).

Commitment

It is known that HRM demands employees' loyalty and commitment which questions dual commitment. In principle, there should not be any antithesis because TU does not have to be conflictual in approach and attitude. Much research shows that co-operative unionism in workplace is existent. This confirms compatibility between TUs and HRM. Concerning downsizing for competitiveness, a similar result may arise when an employer, without seeking to dislodge adversarial collective bargaining practices, establishes other mechanisms and practices including direct communication and consultation systems, small group

activities, employee share option schemes and so on beside the union (De Silva, 1998: 11). All that promotes *human capacity* building and *sustainable productivity* at workplace.

Unitarist versus Pluralist Views

The unitarist approach of HRM and the pluralist approach of TUs though may look to be incompatible involve whether employee involvement and commitment, two-way communication and small group activities, and integration of corporate objectives and strategies pursued by HRM conflict with collective bargaining and unionism. Are such HRM policies pursued to avoid TUs as a strategy? Is there then any scope for compatibility between the two? In cases whereby HRM got used to avoiding unionism it has been found that there is many cost implications. Personnel policies must be sufficiently good and sufficiently integrated and reinforced by line management practice to avoid grounds for unionism. Such companies pay far above average rates and provide mechanisms for individual expression of grievances and reactions are monitored by personnel policies through communication system and attitude surveys. This is the situation in IBM company, for example. However, de Silva states as follows,

“This does not mean that HRM is anti-union or that unions have no role to play in HRM, but rather that effective HRM policies and practices are sometimes used either as a union avoidance strategy or else it can have that effect (De Silva, 1998:10)”.

In that regard, TUs need to adopt 24-hour unionism strategy to continue and remain effective if they are to promote human capacity and sustainability in production at workplace. Traditional union services to members are no longer adequate. TUs 24 hour unionism approach embraces extending and creating more benefits to attract and extend membership. Services' extension could be premised on the use of membership as a consumer collective through agreements made with for example banks, insurance companies, holiday tour operators and other agencies of the same kind so as to extend and offer services at a discount. This covers the issue of non-wage benefits and improves the relevance of unionism for 24 hours, that is even outside the workplace. TUs need to rise and face the 'new realism' of individualism in employment place caused by HRM by pursuing business unionism with a social conscience. They need to treat their members as customers for advice and proper action in both work-place and at home concerning financial issues, insurance and so on, that is 24 hour unionism. However, with the recognition of new realism of individualism TUs' consumer orientation responsiveness need to develop suiting personal and group packages due to their differences in needs. The indispensability of such social services provision and approach, though may be seen as individualism promotion likely to weaken solidarity, its strength is in collective consumerism and

enabled one voice bargaining even for discount (Celis, 1995: 106-108).

Union compatibility with HRM is confirmed by the fact that TUs themselves can be involved in the move towards HRM. This requires positive attitude from all the parties. Though the fact remains that if a new set of practices is adopted that makes it not clear what role is left for the union except policing management practices for continued delivery of management's promises and dealing with grievances pertaining to productivity issues. Moreover, avoiding arbitrariness, collective bargaining need on the part of TUs to be able to take into account the demands from the individualization caused by HRM. Strategically collectivizing them, TUs need to influence legislation and regulation imposed by the state to give room for such flexibility adaptation. In any case if working conditions have been made highly favourable in fear and avoidance to union existence (ultimate non-union company) then policing remains adamant to maintain quality of working life and continued fulfillment of management promises to meet workers' interests and improved *human capacity and sustainable production* at workplace.

Unions have positive factors operating in their favour in HRM that can enable them to enter it on their terms and not on management terms to forge human capacity building and *sustainable productivity* at workplace. They still have their popularity to influence HRM and be compatible with it. They are associated with clear benefits for the workers without costs to the company and can easily influence HRM pattern in benefits distribution. This mainly includes non-wage benefits, which helps more in humanizing the work. They serve as communication channels having greater range of content and thereby can help in selection and recruitment. There is growing inequality and increased poverty, which individuals may not easily tackle except through unions and these, are some of the conditions, which even caused the existence of TUs (Storey, 1995).

Social Protection

Unions can continue to provide protection to workers dismissed on arbitrary grounds such as treating labour as any resource to be cut. On these grounds unions may have to attract new members while retaining current members and persuade managers in new establishments for union recognition. These circumstances and requirements forge the co-existence of TUs and HRM and therefore foster *sustainable* production through jobs' security promotion. Unions need to adopt overlapping strategies not incoherent ones. For example they need to campaign for and promote a high quality of working life taking advantage of the fact that HRM talks of quality management. TUs may also provide financial, legal and social support to individual members. So, unions need to emphasize their role in providing a range of services.

TUs may have to turn around HRM agenda to promoting workers' interests at its heart, focusing on the eradication of unfair labour dismissals and any form of

discrimination including gender discrimination. Like many other service organizations TUs need to market themselves with their guaranteed and accredited quality service to empower their command in the labour market. They may take up banking and insurance business as well (Storey, 1995).

Information, Education, Human Resources Development and Legislative Issues

TUs need to take a systematic approach in information and experience sharing to increase their capacity in participating in HRM and therefore promote and induce *human capacity building and sustainable productivity* at workplace. They may set up a communication system for such a purpose. Developed ways of sharing information empower TUs because when they have more knowledge on HRM they can easily influence from the local, regional and national levels. Limited knowledge inhibits their participation in decision-making process. Information exchange does not only help TUs in development of better strategies in HRM, it also contributes to their human resource development and by so doing causing their members to be more effective in demanding more of workers' participation. This can strengthen workers' loyalty to TUs in HRM (Korean paper part II, 2000:5).

There is an implication that TUs need to identify and solve legislative constraints to their effective participation in HRM process to promote *human capacity building and sustainable productivity* at workplace. By so doing they will effect the process and not just be victims and hence continue to be proactive by setting legal central labour issues for the benefit of workers in HRM. This raises the need for TUs to make long-term plans to continue being proactive. Moreover, TUs are embarking on regional co-operation to find ways of overcoming any of their resources constraints so that they may participate meaningfully in HRM. This enables inclusion of their viewpoints and interests in HRM, national educations, training policies and programmes. In this way they jointly publicize their opinions and get representation in national education or training board, therefore contribute to human resources development and productivity. So, contributing to market oriented skills development has become a necessary compatibility strategy for TUs. Of late TUs need to participate and influence HRM at the company, industry and economy or national level. Influence through education helps in shaping formal and informal participatory structures for TUs and workers (Korean paper part II, 2000:6).

In addition to the same role of information dissemination and market relevant skills development TUs help in developing small enterprises for promoting *human capacity building and sustainable productivity*. Normally, bigger employers have resources for training and skills development, which small enterprises lack. TUs awareness raising and training help small enterprises to survive in competitive market environment and as such enlarge employment opportunities for TUs' members. This means TUs have to embark on research studies more

to enhance their relevance to their membership in HRM process.

TUs' Pro-activeness and Response Compatibility Strategies

However, in the context of pro-activeness, TUs may be expected to be initiative in work organization that benefits the members. When TUs adopt this strategy to HRM, they get access to creating initiatives for monitoring. That is they tend to be monitors to protect and maintain workers' interests. This helps unions to optimize their input, create more opportunities for members' participation in work and increase members' recognition and attachment to the union. However, the variety of results from TUs initiatives may still indirectly reduce union solidarity and collective bargaining. Pro-activeness, nonetheless, enhances TUs' co-existence with HRM, thus increased human capacity and *sustainable* productivity at workplace. Beside pro-activeness, TUs may adopt a minimalist approach of policies and guidelines provision and framework for local workers though this does not enable optimum solutions by the members' contribution. Most importantly TUs need to actively promote their own agenda in HRM. This can open up TUs to addressing members' needs and take part in monitoring HRM process. This strategy may be blamed for overlooking union oneness and making the union to appear assuming management's duties (O'Hehir and O'Mahony, 1993:42-47).

So, pro-activeness being adoption of TUs' innovations ahead of management at workplace and at all levels of decision making is seemingly a better good strategy that may capacitate TUs deterministic moves for promoting human capacity building and *sustainable* productivity at workplace. This pro-active unionism strategy requires setting own agenda for self-strengthening with awareness of the opportunities and benefits and risks of collaborating with management. Pro-activeness can cover approval of realistic job previews by TUs, careful and fair selection of extensive training that develop general as well as specific skills and leave employees better qualified, high basic pay, high trust autonomous work groups, clear targets, open and extensive two way communication through several channels and other elements, single status appreciation to reduce social barriers, guaranteeing job security, finding various new methods of membership recruitment and retaining. Pro-activeness may strategically promote super ordinate goals other than sectional goals that cannot maintain co-existence of TUs and HRM. Where pro-activeness is limited, grievance procedure may be better than strikes or industrial actions (Guest, 1995 and Celis, 1995:100-101).

TUs Relevance at the National Level and Professionalism

At the national level TUs need not limit themselves to identifying and overcoming or solving legislative constraints only but may also contribute positive values to national development policies for promoting human capacity building and *sustainable* productivity at workplace. This embraces campaigning for the desires of

workers and the unemployed. They need to continually adopt democratic values and promote them in the societies. That may easily prove and convince people of their value or importance and even draw more membership from the community as a whole. They need to be able to adapt and face the challenges of globalization. It could be necessary for them to have multinational and international sociable bargaining structures considering the prevalence of transnational companies adopting HRM. As one of the strategies at the community level TUs need to extend their coverage and include other sectors like employees in rural agriculture and informal sector. Including the rural sector will remove the notion that TUs are an urban elitist movement. TUs now need to be community builders and not adversaries or reactionaries to employers. When TUs become relevant at the national level people will empower them even more to address the still persistent child labour, labour exploitation, vulnerability, under payment, poor or no condition of service, all mobilizing the relevance of TUs for protection and sociable collective bargaining. They therefore need to take it upon themselves to face environmental and social (negative) externalities induced by the small and global large employers (See Dafinone-Mowoe, 1997:90-93).

It could be beneficial for TUs to continuously review current dynamic situation for various professional strategies. Adoption of professional strategies is needed on the part of TUs to cope with HRM for promoting *human capacity building and sustainable productivity* at workplace. Such professionalism may embrace considering societal changes, industrial structural changes, changing workers' or youth preferences. This makes them become responsive to membership needs and interests. So, they need no longer rely on own decision making-structure to respond to changes but can consult, involve and listen to their membership to face challenges adequately in HRM. Consultation needs to be complemented with modern surveys and marketing techniques other than adopting former adversarial strategies that may now be ineffective. This allows using media, advisors or consultants and researchers to solicit membership and public preference to remain relevant. Such information may enable TUs, as it is a need, to be equal partners with employers, not subordinates. This professional approach can enhance further outlining of professional long-term proactive plans at both company and national levels (Celis, 1995:99 and Kassalow and Ukandi, 1978).

ANALYTICAL CONCLUSIONS

The new management dimension within adjustments and market competition implies new required practices for TUs to be in scene and thereby forge union compatibility with HRM for promoting *human capacity building and sustainable productivity* at workplace. TUs have an important role to play to ensure economic gains and social justice. They still need to pursue egalitarian aims to alleviate inequity and any form of discrimination including gender discrimination. They are there for social protection and balancing of competing social and

economic interests. They need to negotiate for legislative reforms, decent wages, socially acceptable working conditions, humanized industrial democratized work place, improved quality of work life, better terms in contracts and technology bargaining. Since reformed legislation serves no guarantee for good management, TUs need to always be there for policing the workplace.

TUs also need to reorganize themselves, local unions need to join union federations, federations also need to form regional co-operation and allies with non-governmental organizations for increased capacity in influence, information exchange and contribution to market relevant skills development or human resources development, resources tapping and global solidarity. TUs may have to include even the rural agricultural sector and the informal sector work force. Multi-departmentalizing has become necessary to respond adequately to youth workers, women and temporary workers interests and needs. It seems they need to be relevant to small enterprises' needs. TUs seemingly need to do away with former adversarial approach and politicking but adopt co-operative innovative, co-determination and community building approaches, this suggests community unionism also. However, rolling back management prerogatives for power balancing still remains important if better working conditions are to be realized (Moonilal, 1998:63-70 and 290-309).

At the enterprise level TUs need to facilitate more precise definition of labour relations considering labour casualization, temporary jobs and short contracts. At the national level TUs may need to address macro-economic policy making matters in order to gain influence on the operation of labour markets and creation of employment opportunities and income and benefits sharing or distribution. This is the role of identifying necessary legislative reforms to promote and protect workers' interests. The influence need not be limited to national levels only but through TUs' regional co-operation to impact regional and global labour market patterns and consequences from HRM (Thomas, 1995:241).

Generally speaking, TUs need to be proactive, that is set long-term plans and be predeterministic. They need to contribute to human resources development and education and set up communication systems among themselves and for their membership. For strengthening their influence and capacity local and international relations with academic and non-academic institutions are necessary.

Among other strategies and union activities, union and employee influence can be enhanced through union professionalism, pro-active unionism, 24 hour unionism, extended collective bargaining concessions, trade and skills orientation, participation in joint representative bodies. The principle of 'their spirit and intention', that is the emphasis on co-operation and partnership between TUs and management other than clash of interest as normal process need to be one of the major practices. This also includes a shift from 'them and us' industrial

relations of conflictual or adversarial process to co-operation and trust. That is new industrial relations (Celis, 1995).

TUs need to overcome a concern like there may be conflict between unionism and HRM with regard to job design, pay systems and flexibility in terms of functionality, working time, types of contracts and workforce size by becoming involved in the flexible and skill based issues of payments. TUs also need to reorganize their collective bargaining and restructure themselves. Overall they contribute to the efficient use of human resources and its development at workplace and outside for increased productivity, employment and welfare at the macro and lower levels of the economy. TUs need to influence the labour market and labour legislation, advice workers and even go to court on their behalf, that is be client oriented. There is need to diversify activities, shift from former politicking role and determine HRM application forging trust and positive attitudinal change for receptive cultural change.

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