DETERMINANTS OF EMPLOYEES’ ATTITUDE TOWARD UNION MEMBERSHIP
(A Study in A Logistics Company in Indonesia)

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ABSTRACT
This research examines the determinants of employees’ attitude toward union membership. These factors are represented by job-related predictor such as; employees’ job dissatisfaction, job stress, and consultative managerial style. Apart from these job-related predictor variables, the cultural orientation played a role in this research such as; individualism and collectivism both horizontal and vertical. After performing regression testing, the result shows that almost all variables are affecting employees’ attitude toward union membership except horizontal collectivism variable.

Keywords: work dissatisfaction, work stress, consultative managerial style, individualism, collectivism, employees’ attitude toward union membership

INTRODUCTION
Trade union in Indonesia has a long history. The first trade union is Nederland Indische Onderwijs Genootschap (NIOG) which established in 1897. This trade union is formed under Dutch collonialism era in Indonesia and the members of this trade union are the Dutch nationality teachers who work in Indonesia (Simanjuntak, 2009). The formation of NIOG is then followed by the formation of other trade unions based on industry sectors and professions such as; Postbond a trade union for post workers formed in Bandung in 1905, Suikerbond a trade union for sugar plantation workers formed in 1906, and Cultuurbond a trade union for rubber plantation workers formed in 1907.

After the declaration of independence, the formation of trade union in Indonesia was affected by political orientation. Followed the
new order era under Soeharto regime, the trade union is then merged into a single organization under Federation of Workers across Indonesia (Federasi Buruh Seluruh Indonesia – FBSI). In 1985, FBSI then changed its name into Union of Workers across Indonesia (Serikat Pekerja Seluruh Indonesia – SPSI).

In 1998, the Soeharto regime was downfall. This era is called reformation and marked by the formation of massive new trade unions. The numbers of trade union in Indonesia became numerous as a result of ILO ratification by the government concerning the freedom of trade union formation. The total of trade unions in Indonesia in 2008 reached 10,786 organizations with 3,405,615 members (Simanjuntak, 2009).

Even though there are numerous trade union organizations in Indonesia some paradoxical conditions do exist concerning the nature of trade union. Many workers think that trade unions have very important roles in defending their right but at the same time they feel that their existence as a member of trade union give no effect for trade union’s struggle. A research showed 67% of workers who participated in the research confessed that they are not a member of any trade union but at the same time as many as 59,6% of workers stated that trade union is absolutely necessary for them as a mean for protecting their right (Wendyartaka, 2010). Trade union is needed but they do not think joining in any trade union as something necessary. This fact leads to find out what factors actually affecting employees’ attitude toward trade union membership.

According to Freeman & Medoff (1979, 1984), employees’ attitude toward trade union membership could be measured by employees’ job satisfaction. If employees feel dissatisfied with his/her job, he/she tends to support trade union compared to them who feel satisfied. Stress level also played important role in determining employees’ attitude toward trade union membership. Employee who has high level of stress tends to support trade union (Sarkar, 2011). Another job-related factor affecting employees’ attitude toward trade union membership is the employees’ perception of his/her supervisor managerial style (Glick, et al., 1977; Huczko, 1983). If employee perceived his/her supervisor exhibits authoritarian managerial style, he/she tends to support trade union compared to those who perceived his/her supervisor exhibits consultative managerial style (Zalensy, 1985; Morrard, 1998).

Beside job-related factors, cultural orientation also played important role in determining employees’ attitude toward trade union membership (Sarkar, 2011). Individualism and collectivism and power distance (horizontal and vertical) could be used as factor to describe cultural differences which affecting employees’ attitude (Triandis, 1994).

Previous researches concluded that there are two main factors affecting employees’ attitude toward trade union membership; job-related factors and cultural orientation. Job related factors consist of job satisfaction, level of stress, and perception of managerial style. While cultural orientation consists of individualism and collectivism which could be separated into horizontal individualism, vertical individualism, horizontal collectivism, and vertical collectivism. The purpose of this research is to measure the effect of those variables to employees’ attitude toward trade union membership.

LITERATURE REVIEW

Employees’ Attitude toward Union Membership

The measurement of employees’ attitude toward union membership is something necessary to do because employees are the main factor of trade union objectives. Smith and Hopkins (1979) defined employees’ attitude toward union membership as the feeling that employees give upon trade union membership.
to support or not to support and to side or not to side trade union itself. Employees’ support upon trade union is something vital because employees as the member of trade union is the foundation. Moreover, trade union is an organization which is fueled, aimed, and funded by its members and those members are employees.

There are several factors behind employees joining trade union:

1. Trade union is a mean to eliminate dissatisfaction. Employees believe if they join and actively participated in trade union dissatisfaction will disappear (Maryono & Sudarsi, 2000). It is because trade union could collectively struggle to omit dissatisfaction through collective bargaining (Freeman & Medoff, 1984).

2. Trade union could help employees to voice their aspiration, suggestion, and dissatisfaction to the company.

3. Trade union could protect the right of employees from injustice and unfairness. It could force company to raise the wage, protect employees by demanding health insurance to company, and struggle to lower working hours.

4. Trade union could protect employees from non-pro-workers governmental decrees.

5. Trade union could provide feeling of safety to employees.

6. Trade union could facilitate dispute settlement both among employees and between employees versus company.

7. Employees could get some benefit from the activities of trade union such as training and education.

Trade union is the output of industrialization. Prior to industrialization era, many employees work independently as self-employed worker and had no dependency to any employers.

Trade union then play significant roles in determining human resource management activities to be pro workers. Without trade union, company has a tendency to act unfairly and ignoring the employees’ interest. In order to succeed, trade union fully depends on its member. On the other hand, willingness of an employee joining trade union depends on his/her basic interest. Factors such as the feeling of dissatisfaction and disappointment of managerial decision could shape employees’ attitude toward union membership. Employees would consider whether their membership in trade union would help them to eliminate the dissatisfaction and to voice their aspirations.

**Job Satisfaction**

Job satisfaction is one factor that shape employees’ attitude toward union membership (Fullagar & Barling, 1989; Kuruvilla, et al, 1993). If the employees feel dissatisfied, he/she tends to support trade union (Freeman & Medoff, 1979; 1984).

One of the factors that determine the level of job satisfaction is wage. If the employees feel dissatisfied with the wage they received, they tend to support and participate in trade union (Simamora, 1997). Therefore, employee job dissatisfaction strongly affects employees’ attitude toward union membership. The more employees dissatisfied the more they support trade union.

**Work Stress**

Work stress is feeling of pressure experienced by employees in facing his/her job. Safely working condition and friendly coworkers could make employees feel happy. On the contrary, if working condition is not safe, coworker is unfriendly, and working demand is intimidating could make employees experienced work stress. This stress could lead to feeling of dissatisfaction and the probability of employees joining trade union become bigger (Brett, 1980). The feeling of dissatisfaction which caused by work stress made employees supporting trade union. Therefore, employee who has high level of stress tends to support
trade union compared to those who have not (Sarkar, 2011).

Managerial Style

The most common managerial styles are autocratic and democratic. Both of these managerial styles are contrary to one another. A manager who displayed autocratic managerial style usually depending on his/her power to control his/her subordinates. In contrast, a manager who displayed democratic managerial style usually considers interest of his/her employees when making decisions.

Autocratic managerial style cause subordinates hardly expressing his/her character and capabilities. As a result, employees’ performance is not optimal and many of them feel stressful. This factor then could make employees felt disappoint with their supervisor and this disappointment made employees supporting trade union as a mean to express their feeling (Leigh, 1986; DeCotiis & LeLouran, 1981).

As a part of the company, employees wanted their aspiration and suggestion to be heard and it is hardly happen if manager displayed autocratic managerial style. This autocratic managerial style triggers employees to support trade union (Zalesny, 1985).

Cultural Orientation

It is strongly believed beside job-related factors there is another factor affecting employees’ attitude toward union membership. It is culture orientation.

Triandis (1994) defined culture as the human-made part of the environment. Culture varies among one societies to other societies. There are so many culture variations and culture differences.

Hofstede & Hofstede (2005) stated to assess culture differences and variations we could use Hofstede Framework for Assessing Culture which consist of five value dimensions of national culture. Of those value dimensions of national culture is individualism versus collectivism. This value dimension is the most appropriate to measure the effect of cultural differences concerning employees’ attitude toward trade union membership.

Hofstede and Hofstede (2005) defined individualism as “societies in which the ties between individuals are loose; everyone is expected to look after himself or herself or her immediate family.” While collectivism defined as “societies in which people from birth onward are integrated into strong cohesive in group, in which throughout people’s lifetime continue to protect them in exchange for unquestioning loyalty.”

Moreover, Triandis (1994) divided individualism and collectivism into four dimensions, they are:

1. Horizontal collectivism (HC) is a cultural pattern where a person sees himself or herself as a part of a society. In other hand, the person blends with other persons in a society thus make all person look a like. Horizontal collectivism emphasizes on egalitarian among others.

2. Vertical collectivism (VC) is a cultural pattern where a person sees himself or herself as a part of a society. But there is no commonness among persons. A person might has higher status from others. This pattern also has interdependency attribute which means that although there is difference in status but still share mutual interest. This pattern emphasizes inegalitarian and uncommonness but sacrifice for the society is still an important aspect.

3. Horizontal individualism (HI) is a cultural pattern where a person autonomous and has independency. In this pattern a person is unique. This pattern also describes person who has high self-autonomy.

4. Vertical individualism (VI) is a cultural pattern where a person autonomous, has different status, and has independency.
Person in this pattern always compete for certain statuses. Triandis (1994) stated that US and France are real example for societies which have vertical individualism pattern. Sweden and Australia have horizontal individualism pattern. India and Greece have vertical collectivism pattern, while Israel is the real example for societies which has horizontal collectivism pattern.

An individual in a collective group would tend to focus on developing relationship among members in group. Collectivism and collectivist employee are predicted to support trade union (Kelly and Kelly, 1994).

On the other hand, there is an evidence that individualism cultural pattern could lowering the membership of trade union. Nevertheless, Bakke (1945) stated that horizontal individualism often becomes a factor which make employees support trade union.

**RESEARCH HYPOTHESES AND MODEL DEVELOPMENT**

Based on literatures review, the model for this research is as shown in figure 1. Job satisfaction is one of the main factors which affecting employees’ attitude toward trade union membership (Fullagar & Barling, 1989; Kuruvilla & Wetzel, 1993). The more employees feel dissatisfied the more support they give to trade union (Freeman & Medoff, 1979). It leads to research hypotheses 1:

(H1); job dissatisfaction positively affects employees’ attitude toward trade union membership.

Work stress also gives contribution to the employees’ attitude toward trade union membership. The high level of work stress will make employee’s performance decreasing. It is because employee could not fulfill the work demand. This stress then leads to the occurrence of dissatisfaction (Beehr and Newman, 1978). The dissatisfaction at the end cause employees to support trade union. Thus research hypotheses 2:

(H2); work stress positively affects employees’ attitude toward trade union membership.

Managerial style also gives effect to the employees’ attitude toward trade union membership. Authoritarian managerial style will cause employees to support trade union, while consultative managerial style will cause employees not to support trade union (Leigh, 1986). Authoritarian managerial style makes employees could not express their characteristics, on the contrary consultative managerial style allows employees to express their actual characteristics. Thus, research hypotheses 3:

(H3); consultative managerial style negatively affects employees’ attitude toward trade union membership.
It means employees who perceived consultative managerial style displayed by his/her supervisor will support trade union less compare to those who perceived authoritarian managerial style displayed by his/her supervisor.

Beside job related factors, employees’ attitude toward trade union membership is affected by cultural factors. Individualism and collectivism cultural pattern strongly believed determining employees’ attitude toward trade union membership. Triandis (1994) divided cultural pattern into 4 classifications, they are: horizontal individualism, vertical individualism, horizontal collectivism, and vertical collectivism.

Individualism cultural pattern will decrease employee’s support to trade union and collectivism cultural pattern will increase employees’ support to trade union. Nevertheless, horizontal individualism believed will make employees supporting trade union as this kind of cultural pattern allows employee to give an influence for others life. Therefore research hypotheses 4:

(H4); horizontal individualism will affect employees’ attitude toward trade union membership positively.

Research hypotheses 5

(H5); vertical individualism will affect employees’ attitude toward trade union membership negatively.

While research hypotheses 6

(H6); horizontal collectivism will affect employees’ attitude toward trade union membership positively

and research hypotheses 7

(H7); vertical collectivism will affect employees’ attitude toward trade union membership positively.

RESEARCH METHOD

The research was conducted in Linfox Logistics Indonesia. It is a logistic company which operates in Indonesia and a subsidiary of Linfox Logistics Australia. In Indonesia, logistic industry grows nearly 14.2% per year or US$ 153.54 billion in 2012. This growth is predicted keep rising in the years ahead. By now, Linfox Logistic Indonesia has around 700 employees and this is the total of research population. The trade union in Linfox Logistic Indonesia established since June 2008 and covered more than 50% of total employees.

As many as 120 questionnaires were distributed using convenience sampling method or around 17.14% of total population. This method is chosen because it is hard to collect responses from all employees since many employees work mobile. The questionnaires were distributed both to trade union member employees and non-trade union member employees. As many as 113 questionnaires were returned and it made the response rate reached 94.16% of total sample.

In this research, dependent variable is employees’ attitude toward trade union membership which measured by 4 indicators refers to Smith & Hopkins (1979). The indicators are Belief in Union (Level of trust on trade union as a mean for solving employees problems), Loyalty (Level of loyalty of employees as a member of trade union), Duty (Level of employees’ obligation fulfillment as a member of trade union), Interest (Benefit and advantages which employees’ get as a consequences of his/her membership in trade union).

The independent variables consist of 7 variables which could be classified into 2 classification, they are job related variables and cultural difference variables. The first job related variable is job dissatisfaction. It is measured by 5 indicators refers to Smith & Hopkins (1979). The indicators are Pay (Amount of wage/salary received by employees), Fringe Benefits (The benefits received by
employees), Training (The intensity of training received by employees), Job Security (The feeling of security when performing work), Work Load (The whole work load received by employees).

The second job related variable is work stress. It measured by 2 indicators refers to Workplace Employment Relation Survey (Chaplin, 2007). The indicators are Job Limit (Time required to finish the job) and Work Load (Work demand felt by employees).

The last of job related variable is consultative managerial style. It is measured by 2 indicators refers to Workplace Employment Relation Survey (2007). The indicators are Participation in Decision Making (Supervisor gives employees the opportunity to take part in making a decision at work) and Participation in Giving Idea and Suggestion (Supervisor gives employees the opportunity to deliver his/her idea and suggestion concerning work).

Beside job related factors, it is strongly believed that cultural factors also plays important role in determining employees’ attitude toward trade union membership. The first cultural factor variables is Horizontal Individualism. It is measured by 4 indicators refers to Singelis, et al. (1995). The indicators are Self reliance-independent (The individual independency possessed by employees), Direct Communication (The way of communication performed by employees to deliver the message), Unique (Degree of a person is different with others), and Privacy (The openness of employees to his/her surrounding).

The second cultural factor variable is Vertical Individualism. It is measured by 3 indicators refers to Singelis et al. (1995). The indicators are Competition (Degree of competition among employees), Competitive (The feeling to become the best among employees), and Self Know (The understanding of one employee to another).

The third cultural factor variable is Horizontal Collectivism. It is measured by 2 indicators refers to Singelis et al. (1995). The indicators are Duty (Obligation of an employee to help and to sacrifice for another employee who experienced difficulties) and Belong (The feeling to become a part of group and enjoying the participation as part of group).

The last cultural factor variable is Vertical Collectivism. It is measured by 2 indicators refers to Singelis et al. (1995). The indicators are Family Integrity (The concern of the unity and the happiness of the family) and Advice (The willingness to ask advice and suggestion from others).

In order to answer research hypotheses, multiple regression analysis was run. This analysis tested which factor determines employees’ attitude toward trade union membership. All variables are measured using Likert scale 1 to 6.

RESEARCH FINDINGS

This research used 7 respondent profile measurements. They are sex, marriage status, age, education level, tenure, membership in trade union, and duration as trade union member.

Of total 113 respondents, 106 or 93.81% respondents are male while 7 or 6.19% respondents are female. As many as 32 respondents are married and 81 respondents are not married. Most of the respondents are young, around 20-25 years old, reached 71.68% of total respondents. For education level of respondents mostly graduated from high school amounted 85.84% of total respondents and many of respondents worked less than 2 years or 70.8% of total respondents.

More than half of the respondents are member of trade union (59.29%) or 67 persons while the rest are not. They who are member of trade union mostly joined less than 2 years (67.16%) while the rest joined trade union for more than 2 years.

To answer research hypotheses, regression analysis was conducted. The regression equa-
tion is:

\[ Y = 10.975 + 0.09X_1 + 1.441X_2 - 0.233X_3 - 0.162X_4 + 0.161X_5 + 0.151X_7 \]

Where \( Y \) is employees’ attitude toward trade union membership, \( X_1 \) is Job Dissatisfaction, \( X_2 \) is Work Stress, \( X_3 \) is Consultative Managerial Style, \( X_4 \) is Horizontal Individualism, \( X_5 \) is Vertical Individualism, and \( X_7 \) is Vertical Collectivism. Horizontal collectivism is insignificant, thus it was excluded from regression equation. In brief research hypotheses are as in table 1.

Job dissatisfaction affects employees’ attitude toward trade union membership positively. It means that the more employees feel dissatisfied the more he/she support trade union. This result is in accordance with those of Sarkar (2011) and Freeman and Medoff (1979, 1984).

In Linfox Logistic, it revealed that pay and fringe benefits as the factors that employees feel the most dissatisfied. Simamora (1997) argued that dissatisfaction of pay and benefit will make employees supporting trade union. This argument also confirmed by the fact that 67 respondents (or 60% of sample) are member of trade union. The feeling of dissatisfaction in the end will force employees to struggle for the better condition, and they may perceived that by joining trade union those dissatisfactions will be solved (Freeman and Medoff, 1984).

Level of work stress also gives positive effect on employees’ attitude toward trade union membership. This result is in accordance with Sarkar findings in 2011. Beehr and Newman (1978) stated that the feeling of stress will trigger dissatisfaction. The feeling of dissatisfaction will make employees supporting trade union. The level of work stress in Linfox Logistic Indonesia is quite high, with mean score 5 in 1 to 6 Likert scale.

Managerial style also gives effects on employees’ attitude toward trade union membership. The more consultative the supervisor is, the less support employees will give to trade union. This research confirmed the finding of

<table>
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<tr>
<th>Hypotheses</th>
<th>Statement</th>
<th>Conclusion</th>
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<tr>
<td>H1</td>
<td>job dissatisfaction positively affects employees’ attitude toward trade union membership.</td>
<td>Accepted (significant)</td>
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<tr>
<td>H2</td>
<td>work stress positively affects employees’ attitude toward trade union membership.</td>
<td>Accepted (significant)</td>
</tr>
<tr>
<td>H3</td>
<td>consultative managerial style negatively affects employees’ attitude toward trade union membership.</td>
<td>Accepted (significant)</td>
</tr>
<tr>
<td>H4</td>
<td>horizontal individualism will affect employees’ attitude toward trade union membership positively</td>
<td>Rejected, the effect is negative (significant)</td>
</tr>
<tr>
<td>H5</td>
<td>vertical individualism will affect employees’ attitude toward trade union membership negatively</td>
<td>Rejected, the effect is positive (significant)</td>
</tr>
<tr>
<td>H6</td>
<td>horizontal collectivism will affect employees’ attitude toward trade union membership positively</td>
<td>Rejected (insignificant)</td>
</tr>
<tr>
<td>H7</td>
<td>vertical collectivism will affect employees’ attitude toward trade union membership positively.</td>
<td>Accepted (significant)</td>
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Horizontal individualism was found to have negative effect on employees’ attitude toward trade union membership. Thus, it contradicts with the research hypotheses. The higher the level of horizontal individualism, the lower the support given to trade union. The main reason because employees who live in this kind of cultural orientation will tend to show his/her uniqueness. They want to be different. They more likely to do any activities by their own effort and usually they have high internal locus of control. Therefore, they really depend on their own ability to solve problem thus make them not sure that trade union could help solving their problem.

Vertical individualism found to have positive effect on employees’ attitude toward trade union membership. Again, this is contradicted with the research hypotheses. The higher the level of vertical individualism, the higher support given to trade union. Competition is the main character of vertical individualism. Employees who live in this kind of cultural orientation will feel the high degree of competition in pursuing career and work status. This makes them need support and help in order to gain the objectives. The support and help from trade union will ease them facing competition. Thus, it makes them joining and supporting trade union.

Horizontal collectivism gives no effect on employees’ attitude toward trade union membership, since it is insignificant. This contradicted with research hypotheses which stated horizontal collectivism gives positive effect. This result also contradicted with Sarkar findings (2011). The reason behind this phenomenon perhaps job related factors overshadow the cultural factors. Also it is because collectivism and individualism have unipolar multidimensional charateristic which means that individualism and collectivism are depending on the context and could not stand as solely factor (Triandis, 1994).

The only cultural factor which was proven affecting attitude toward trade union is vertical collectivism. It gives positive effect on employees’ attitude toward trade union membership. It is also affirmed the Sarkar findings (2005, 2011) and Kelly & Kelly findings (1994). Vertical collectivism is characterized by promoting the interest of group rather than individual interest. It is similar with trade union characteristics which try to struggle for collective interest. The main objective of trade union is to protect the interest of its members as a whole.

**CONCLUSION**

In this research job related factors are more consistent and reliable to predict the employees’ attitude toward trade union membership. Since, job dissatisfaction, work stress, and managerial style strongly support research hypotheses. Our finding in this research concerning job related factors also affirmed result of those previous researches conducted by Sarkar (2011), Freeman & Medoff (1979, 1984), Morrand (1998), Leigh (1986), DeCotiis & LeLouran (1981), and Zalensy (1985).

While cultural factors are less consistent and reliable to predict the employees’ attitude toward trade union membership. Since 3 out of 4 research hypotheses are rejected. Previous researches concerning effect of cultural factors on employees’ attitude toward trade union membership are also inconsistent. For example, Sarkar (2005, 2011) found that horizontal individualism has positive effect on employees’ attitude toward trade union membership. But this is contradict with Bakke (1945) who found that horizontal individualism has negative effect on employees’ attitude toward trade union membership.

Also, Sarkar found that horizontal collectivism has different effect on employees’ attitude toward trade union membership. In 2005, Sarkar found that horizontal collectivism has negative effect but in 2011 Sarkar found oppo-
site result which revealed horizontal collectivism has positive effect on employees’ attitude toward trade union membership.

Thus, in conclusion job related factors are more precise to predict employees’ attitude toward trade union membership since the research finding always consistent rather than cultural factors which inconsistent among one research to another.

**RECOMMENDATION**

This research has several caveats. This research is case study in one company. The pattern of the findings could be different to those who conducted the same topic especially concerning cultural factors. Also there was no qualitative analysis such as in depth interview to generate insights concerning the reason behind the phenomenon. The analysis solely based on quantitative approach.

In the future, it is important to deepen the analysis using other method than quantitative analysis. Comparison among logistic companies is also needed to do to find out the real pattern of employees’ attitude toward trade union in logistic industry in Indonesia. Cross industries comparison is suggested to generalize the employees’ attitude toward trade union in Indonesia.

**REFERENCES**


