

# **DEVELOPMENTS IN INDUSTRIAL RELATIONS AND HRM IN THE REPUBLIC OF IRELAND**

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## **Introduction**

Using recent research data from the Price Waterhouse Cranfield Study this paper considers current developments in industrial relations at establishment level in the Republic of Ireland. Firstly, the nature and context of industrial relations is briefly sketched. Secondly, we examine the factors related to varying levels of unionisation, including non-union status. Thirdly, the relationships between unionisation and the use of HRM practices are evaluated and finally, we focus more closely on variations in employment practices between union and non-union firms and public and private sector firms.

The *Price Waterhouse Cranfield Project on International Strategic Human Resource Management in Europe* was originally established in 1989 to study developments in human resource management in Europe. In 1992 a postal survey of some 6000 organisations was undertaken in collaboration with a leading business school in some fifteen European countries. In the Republic of Ireland, the sample frame used for the Price Waterhouse Cranfield Project in Ireland was the Business and Finance list of the top 1000 trading companies and the top 500 non trading bodies in Ireland. In this sample frame organisations were ranked according to their level of turnover, financial institutions by the size of their asset base, and non trading bodies by the number of employees. The empirical component of the Price Waterhouse Cranfield Study was based on a postal questionnaire completed by management respondents in a representative sample of companies from the Top 1500 trading and non-trading organisations in the Republic of Ireland. A questionnaire addressed to either the chief executive or personnel manager was mailed to 1180 companies. A total of 269 usable questionnaires were returned, giving a response rate of 23%.<sup>1</sup>

## **The Nature and Context of Industrial Relations**

At the workplace level, industrial relations practice in the majority of medium and large organisations in the Republic of Ireland has traditionally been associated with a strong collectivist emphasis (Roche 1990b). In this model, relations between management and employees are grounded in the pluralist tradition with a primary reliance on adversarial collective bargaining. This pluralist tradition is manifested in high levels of union

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density, developed collective bargaining institutions at establishment level and industrial relations as the key concern of the specialist personnel function (Gunnigle and Flood 1990).

As has been the case in the UK, the 1980s in Ireland was a period of considerable change in the environment and practice of industrial relations. From an employer perspective, the onset of recession lessened the emphasis on hitherto core workforce management activities such as recruitment and, particularly, industrial relations. Trade union membership fell significantly in the period 1980–1987 and industrial unrest also declined significantly over the decade (Roche & Larraghy 1989). At the same time, many organisations sought to establish competitive advantage through improvements in quality, service and performance. One source of such improvements has been an increased emphasis on the more optimal utilisation of human resources. Consequently, it would appear that there has been greater innovation in industrial relations practice, particularly in areas such as work systems, rewards, management-employee communications and employee development.

### **Trade Unions and Industrial Relations in Ireland**

The role of trade unions is seen as a key indicator of approaches to, and changes in, industrial relations. This aspect incorporates both the extent of union recognition and, where unions are recognised, the nature of management-trade union relations. A particular issue in the context of evolving human resource management (HRM) styles concerns trade union recognition and the future role of collective bargaining. This section considers the findings of the Price Waterhouse Cranfield Project on the role and nature of unionisation among Irish organisations. In particular, it considers the issue of trade union density and trade union recognition. It also focuses on the relationship between unionisation, pay systems and communications practices with employees. Trade union density and recognition are compared across sectors (i.e. public and private). The total number of trade unions in Ireland numbers some 65 unions catering for a total membership of around 460,000 or 44% of the workforce. The period since 1980 has witnessed the most serious decline in trade union density in the post-war period. Since 1980 trade union membership in the Republic of Ireland has fallen by almost 10% (Roche & Larraghy 1989). However, this decline is principally attributed to macro-economic factors, most notably economic depression, increased levels of unemployment and changes in employment structure characterised by a decline in traditionally highly unionised sectors (typical employment forms in manufacturing industry and the public sector) and a growth in sectors which have traditionally posed difficulties for union penetration, particularly private services (see Roche and Larraghy 1989, Roche 1992). A study by Mc Govern (1989) points to increasing opposition to union recognition in the 1980s, suggesting that management approaches to unionisation have either hardened in line with the 'anti-union' style or become "more subtle" in attempting to avoid unionisation.

### *Trade union density*

The levels of trade union density in the surveyed companies is high, with almost two thirds of respondent firms reporting that more than 50% of their staff were trade union members (see Table 1). Average union density across the companies is approximately 55.9%. This compares closely with a union density of 56.2% for the employed national labour force (i.e. the number of union members as a percentage of the employed labour force).

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**Table 1: Trade Union Density**

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<b>Proportion of employees in trade unions</b>	<b>%</b>
0	18 .4
1–25%	6 .4
26–50%	10 .9
51–75%	18
76–100%	42 .3
Don't know/Missing	4 .1
<i>N = 269</i>	

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Source: Price Waterhouse Cranfield Project (Ireland); University of Limerick 1992

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A large proportion (63%) of the sampled companies have union levels in excess of 50% of their workforce. The exclusion of the non-unionised establishments increases union density to 69%. Given an aggregate union density among the employed labour force of 56.2%, it is not surprising to find a high level of union density in the top 1500 trading and non-trading establishments, where concentration of employees is greatest. This is particularly evident in the case of public sector establishments which account for 42% of the most highly unionised establishments, but only 24% of the sample.

**Table 2: Level of Union Membership by Sector**

<i>Level of Membership</i>	<i>% of firms</i>		
	<i>Private</i>	<i>Public</i>	<i>Total</i>
0%	22%	1%	16.9% (40) *
1-25%	8%	2%	6.3% (15)
26-50%	14%	2%	11.4% (27)
51-75%	19%	12%	17.3% (41)
76-100%	35%	78%	45.6% (108)
Don't know	2%	5%	2.5% (6)
<b>Total</b>	<b>100% (179)</b>	<b>100% (58)</b>	<b>100% (237)</b>

(Number of Missing Observations: 32; \* Number of firms in parentheses)

Source: Price Waterhouse Cranfield Project (Ireland); University of Limerick

The level of unionisation also appears to be related to the size or number of employees, with large employers more likely to have higher levels of union density. This finding is supported by most of the empirical research on the determinants of unionisation and in the next section we review the salient findings of these studies, as a basis for understanding the results from the Price Waterhouse Cranfield data.

**Table 3 Union Membership by Size**

<i>Size</i>	<i>% of firms</i>						<i>Don't Know</i>	<i>Total</i>
	<i>0%</i>	<i>1-25%</i>	<i>26-50%</i>	<i>51-75%</i>	<i>76-100%</i>			
1-50	38.6%	20.5%	4.5%	9.1%	25%	2.3%	100% (44)	
51-100	27.5%	10%	27.5%	17.5%	17.5%	0%	100% (40)	
101-200	12%	2%	12%	24%	48%	2%	100% (50)	
201-500	15.3%	4.2%	8.3%	18.1%	50.0%	4.2%	100% (72)	
501-1000	10%	0%	6.7%	20%	60%	3.3%	100% (30)	
1001 +	7%	0%	7%	19%	67%	0%	10% (27)	
<b>Totals</b>	<b>19%</b> <b>(50)</b>	<b>6.5%</b> <b>(17)</b>	<b>11%</b> <b>(29)</b>	<b>17.9%</b> <b>(47)</b>	<b>43.3%</b> <b>(114)</b>	<b>2.3%</b> <b>(6)</b>	<b>100%</b> <b>(263)</b>	

Number of Missing Observations: 6 (Actual numbers in parentheses)

Source: Price Waterhouse Cranfield Project (Ireland); University of Limerick 1992

### ***Factors affecting Unionisation***

A number of structural variables have been advanced to account for variations in union membership across industries and single establishments (see Bain and Price 1983, Hirsch and Berger 1984). Variations in union levels are associated with shifts in the gender, occupational and industrial composition of potential union membership particularly shifts in employment in the public/private and manufacturing/services sectors) and changes in industrial structure such as employment concentration, single or multi-establishment status, product markets and capital intensity.

Size, sector, industry and the proportion of white collar, part-time and female workers have all figured prominently as significant explanatory variables in the empirical literature on union density (Bain and Price 1983, Bain and Elsheikh 1979, Bain and Elias 1985, Booth 1986, Deery and DeCieri 1991). Drawing from this literature, we can hypothesize that unionisation will vary negatively with the proportion of white collar and part-time workers in an establishment, positively as size increases, positively if a public sector establishment and positively in specific industries such as manufacturing, transport and utilities. Less prominent but also relevant explanatory variables in the literature are establishment status, product market and capital intensity. Single independent establishments are more likely to have a negative impact on unionisation than establishments which are owned or controlled by a large firm or multinational (Bain and Elsheikh 1980). A single establishment is more likely to relate to its employees in a paternalistic manner in which the terms and conditions of employment are determined in a personal and informal way, rather than by formal rules applied impersonally to all, which facilitates collective organisation. Unionisation, it is argued, is affected by the nature of the market in which the product of the establishment is sold (Bain and Elsheikh 1979), with levels of unionisation being inversely related to the competitiveness of the market. The competitiveness of the product market and the ease or difficulty of unionisation within establishments is essentially related to whether the product market is local as distinct from national, or international. Finally, country of origin may have a significant impact on unionisation at establishment level. In particular, American owned companies in the Irish electronics industry are reputed to pursue an active strategy of union avoidance (Mc Govern 1989) or the marginalisation of trade unions through the use of such processes as direct employee communication and the prompt handling of grievances (Gunnigle 1992a). Indeed, Gunnigle (1992a) in a survey of firms established since 1987 found that non unionism was predominantly confined to US owned firms. We might expect that foreign ownership, or at least companies originating from the United States, may exert a drag on the level of unionisation.

Turning to the analysis of these findings (see Appendix for regression results), in equation 1, union density is regressed on all the independent structural variables using the stepwise method. Size is positively related to increasing levels of unionisation while sector just fails to reach significance at the 5% level. At the industry level manufacturing

is divided into two groups, Metal manufacturing which mainly covers the electronic and computing industry and which we label as Hi-Tech manufacturing and Other manufacturing which refers to all other manufacturing areas and can be labelled as traditional manufacturing. Being in the Hi-Tech sector compared to the traditional sector greatly increases the likelihood of low union density and non-unionisation (in all equations traditional manufacturing is the omitted variable and takes the value of the constant). However, testing various combinations of the independent variables using the stepwise procedure led to the exclusion of market, status, part-time workers and country of origin from the regression, which considerably improved the fit in equation 2. Sector is the most important variable explaining variations in union levels which is not surprising given the legitimacy and pervasiveness of unions in the public sector. The effect of sector in equation 2 reduces the impact of size (since most public sector organisations are also large in size) with both the proportion of white-collar workers and the location of companies in Hi-tech manufacturing having larger coefficients. The proportion of white-collar workers in an establishment has a significant and negative effect on union density, as predicted. Again companies in the Hi-tech sector are negatively related to unionisation compared to the traditional manufacturing sector. Surprisingly, the services sector, which includes personal services, retail and distribution, catering and hotels has no significant impact on union levels. Nor is the proportion of part-time workers in an establishment related to union levels (equation 1). Part-time working is positively associated with public sector employment ( $r = .23^{***}$ ). It may perhaps be the case that the unions have been successful in unionising part-time workers, at least in the public sector, where establishments tend to be highly unionised. The status of an establishment (whether a single entity or part of a larger group), its market and country of ownership are not related to variations in union density in establishments. The small size of the Irish economy and its relatively high level of union density in most industries possibly renders these factors negligible as determinants of union density at the establishment level. Perhaps the most interesting result to emerge from our analysis is the absence of any impact on union levels from an establishments' country of origin and the significant negative relationship between 'high technology' companies and unionisation.

### ***Trade Union Recognition***

Despite some adverse commentaries on the level of trade union recognition and density in Irish organisations, the evidence from the Price Waterhouse Cranfield (PWC) Survey suggests the union membership in Ireland is quite robust. The PWC survey found that the great majority of Irish organisations surveyed recognised trade unions (see Table 4).

A total of 57 companies or 21% of the sampled companies did not recognise a trade union for collective bargaining purposes, while seven of these companies acknowledged the presence of trade union members in their establishments. Since union recognition is not an issue in the public sector, only private sector companies are

included in the following analysis. Excluding the companies who either failed to answer the question on union recognition or cannot be categorised according to sector, there is a total of 183 private sector companies of whom 50 or 28% did not recognise a trade union. An examination of the distribution of companies not recognising a trade union reveals the prominence of such firms in advanced manufacturing industries (Table 5).

**Table 4: Trade Union Recognition**

<b>Trade union recognition</b>	<b>Number of firms</b>	<b>%</b>
<i>Yes</i>	207	77
<i>No</i>	57	21
<i>Missing/Don't know</i>	5	2
<i>N = 269</i>		

Source : Price Waterhouse Cranfield Project (Ireland); University of Limerick 1992

**Table 5: Union Status by Industry**

	<b>Non-Union</b>	<b>Union</b>	
Agriculture	37.5%	62.5%	(8)
Non-Energy, Minerals	16.7%	83.3%	(18)
Advanced Manufacturing	43%	57%	(35)
Other Manufacturing	8.5%	91.5%	(59)
Building and Civil Eng.	33.3%	66.7%	(3)
Distribut. Trades	10%	90%	(20)
Transport and Co	25%	75%	(4)
Banking and Finance	81.8%	18.2%	(11)
Personal and Other Services	50%	50%	(6)
Health and Education	40%	60%	(5)
Fire, Police, Quangos	38%	62%	(13)

Number of Missing Observations: 4 (N = 182)

Source: Price Waterhouse Cranfield Project (Ireland); University of Limerick 1992

Given the small number of companies surveyed in most industries, we must be cautious in any interpretation advanced. However, the substantial number in the 'high technology' and traditional manufacturing industries makes generalisation in this area relatively reliable. It would appear that companies in the 'Hi-Tech' manufacturing industries are less likely to recognise unions than those in the traditional sector. As already pointed out, much of the literature on union recognition in Ireland has emphasised the propensity of US firms to remain union free. While Table 6 indicates that US firms are less likely to recognise trade unions, the differences are small.

**Table 6: Union Recognition by Origin of Company**

	<i>US</i>	<i>Ireland</i>	<i>EC</i>	<i>Rest</i>	<i>Total</i>
<i>Non-Union</i>	31.9%	30.6%	21.9%	0	27.6%
	(15)	(26)	(7)	(48)	
<i>Unionised</i>	68.1%	69.4%	78.1%	100.0	72.4%
	(32)	(59)	(25)	(10)	(126)
<i>Total</i>	100%	100%	100%	100%	100%
	(47)	(85)	(32)	(10)	(174)

Number of Missing Observations: 9

Source: Price Waterhouse Cranfield Project (Ireland); University of Limerick 1992

### Factors affecting union recognition

In general, the factors which are found to be determinants of inter-establishment variations in the level of union membership are similar to those that account for the presence or absence of union recognition in an establishment (Beaumont and Harris 1989, Bain and Elsheikh 1980). In equation 3 public sector organisations are excluded since union recognition is the established and accepted practice. Results indicate a similar pattern to the previous equations<sup>2</sup>. Country of origin again had no significant impact on union recognition controlling for all other variables. While US companies do have a negative impact on unionisation, the coefficient is weak and not significant. Both product market and the single/corporate status of a company are also insignificant and appear to be unrelated to a companies union status. The significant structural variables affecting unionisation are also similar. Increasing size is positively associated with union recognition and an increasing proportion of white collar workers in an establishment is negatively associated with union recognition. Companies in the high technology manufacturing sectors (n = 32) have the largest (negative) impact on union

levels and are more likely to be non-union compared to other sectors. Table 7 gives the country of origin of non-union and union companies in Hi-Tech manufacturing.

**Table 7: Union Status by Country of Origin in Hi-tech Manufacturing Sector**

Origin	Union	Non-Union
Ireland	4	5
USA	9	9
EC	3	1
Rest	4	0
Total	20	15

Source: Price Waterhouse Cranfield Project (Ireland); University of Limerick 1992

In this sector, 43% of the companies are non-union and this accounts for the negative and significant coefficient in equation 1 controlling for the independent effects of size, white collar workers and country of origin. Hence it is the sector or industry rather than country of origin which has a significant and negative relationship with union recognition.

### **Trade Unions and Human Resource Management**

Generally, human resource management (HRM) strategy is aimed at increasing the identification and commitment of the employee to the organisation and is sometimes held to be incompatible with the collectivist ethos of unionism (Guest 1989). In a review of American literature on HRM, Beaumont (1992) found that the chief, or at least most frequently cited, components of HRM strategy are; a relatively well developed internal labour market (in matters of promotion and employee development); flexible work organisations; contingent compensation practices; individual and group participation in task related decisions; and extensive internal communications arrangements. The present research uses the presence of an explicit HRM strategy; employee development (training); contingent compensation practices and communications and flexible work practices to measure the extent of HRM practices in establishments. Unfortunately, no question on employee participation was used in the survey. An explicit *HRM strategy* is more likely to indicate some level of integration as well as indicating developed HRM policies and practices. Respondents were asked whether their organisation had a written or unwritten HRM strategy or none at all. Companies with a documented HRM strategy are defined as having a comprehensive strategy. While the existence of an explicit strategy maybe a proxy for the components of HRM rather than a separate factor, it can clarify the interesting question of whether companies who have explicit HRM strategies

actually follow through in their employment practices? *Employee development* is measured by the proportion of salaries and wages currently spent on training. Companies are divided into those who spend greater than or less than 5% on training. Training and development of employees is seen in HRM literature as an essential component of the flexible firm, improving functional flexibility and also binding the employee to the organisation, particularly where the training is firm specific (Keep 1992). Although most trade unions encourage the training and development of their members, the relationship between training and union recognition may be negative where the training and development are part of a union substitution strategy. Contingent *compensation practices* are measured by the presence of performance-related pay schemes and profit sharing schemes for clerical and/or manual employees, or both. The extent of *employee communication* with manual and non manual employees is measured by whether clerical and/or manual employees or both are formally briefed on the strategy and financial performance of their company. *Flexible work patterns* include both functional and numerical flexibility. The increase, rather than the extent, in functional flexibility is measured here. Respondents were asked to indicate whether jobs had been made wider/more flexible over the last three years for either clerical or manual employees, or both. *Numerical flexibility* is assessed using the proportion of employees on part-time, temporary or casual and fixed term contracts of employment. Companies are divided into two categories, those with more than 20% of any one or number of these type of employees in the workforce and those with less<sup>3</sup>. Structural variables found to be significant determinants of union density are also included in these equations in order to control for such factors as size, sector, proportion of white-collar workers and industry type which could possibly influence the use of HRM practices. As equation 4 indicates, the existence of profit sharing schemes and/or performance related pay is negatively related to the level of unionisation. Trade unions are traditionally ambivalent to profit sharing schemes and explicitly hostile to performance linked pay systems. Unions, given their collectivist orientation, aim to standardise wages across workers and prefer such criteria as seniority and the going rate for the job as the determinants of pay levels. The strength of this attitude is perhaps reflected in the fact that pay has a stronger effect on unionisation than size or the proportion of white collar workers. Training budget, communications and flexibility have no significant relationship with union density in establishments. Combining the four practices as an overall measure of the HRM approach in equation 5 does not improve on equation 4 which possibly indicates that the combined HRM practices do not form a coherent additive measure affecting levels of union density. The existence of a written policy on HRM strategy also has no significant effect on unionisation. Surprisingly, union density does not vary between establishments where more than 20% of the workforce is either part-time, temporary/casual or on fixed term employment contracts and other establishments. There is no statistical relationship between union density and numerical flexibility, with 60% of the establishments which use some form of numerical flexibility having a density level in

excess of 76%. Numerical flexibility is slightly more prevalent in public sector establishments, with 22% compared to 16% of establishments in the private sector. It is least prevalent in establishments of US origin (8%) and relatively equally prevalent across the rest (Irish 21%; EC 22%; others 25%). Employees on such contracts in the public sector are more likely to be union members given the high level of unionisation in this sector thus reducing union opposition to numerical flexibility.

### Communications Practices

Overall, the most notable developments arising from the Irish survey data was the increase in direct verbal and written communications with employees. Differences in organisational approaches to communications with employees tend to focus on the nature and content of management-employee communications and the range of mechanisms used to facilitate such communications (Table 8).

**Table 8: Communications with Employees**

Mode of Communication	Change in level of utilisation (%)			
	Increased	Decreased	Same	Don't know/ Missing
<i>Through representative staff bodies e.g. TUs</i>	14.2	11.2	44.2	30.3
<i>Verbally, direct to employees</i>	49.8	1.5	38.2	10.5
<i>Written, direct to employees</i>	36	3	41.9	19.1

*N = 267*

Source: Price Waterhouse Cranfield Project (Ireland); University of Limerick 1992

It appears from the research evidence that methods of communication employed by organisations and the type of information being communicated to employees has changed in recent years. A number of factors may be used to explain this development, notably (i) the increase in quality enhancement initiatives; (ii) a move towards flatter organisation structures which facilitated greater and more informative communication at lower levels in the organisation; (iii) the presence of a more educated workforce which desires to be involved and informed as much as possible. The impact of contemporary quality initiatives is felt to have a significant impact on the area of management-employee communications and has facilitated the passing on directly of relevant information on workplace related issues.

In considering the role of trade unions in the communications process, the survey data presents quite a stable picture with a majority of organisations reporting little

change in the union role. An issue of particular interest here is the degree to which direct communications with employees is being used as a means of circumventing and/or marginalising trade unions in management-employee communications. However, as equation 3 indicated, increased communications are not negatively (or positively) related to levels of unionisation. It is likely that many organisations neither can nor wish to suddenly discontinue to use established collective bargaining fora. Rather it appears that management-employee communications will increasingly occur through parallel mechanisms.

Turning to the actual content of management-employee communications, the survey data suggests that most Irish firms communicate formally on both business strategy and financial performance with managerial and professional/technical employees (Table 9). However, the level of communications on these issues falls dramatically for clerical and manual grades. The most dramatic contrast arises in the area of communication on financial performance where over 90% of organisations claim to communicate formally on this issue with managerial grades but only 33% do so with manual grades.

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**Table 9: Management Communications on Strategy and Financial Performance**

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<i>Grade of Employee</i>	<b>Level of communications/briefing on</b>	
	<b>A. Strategy</b>	<b>B. Financial Performance</b>
<i>Management</i>	92.5%	90.6%
<i>Professional/Technical</i>	64.4%	57.3%
<i>Clerical</i>	41.6%	39 %
<i>Manual</i>	36 %	33 %

*N* = 267

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Source : Price Waterhouse Cranfield Project (Ireland); University of Limerick 1992

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In general, it seems that the more sophisticated firms tend to use a range of communications mechanisms with particular emphasis on direct communications with individual employees. Such expansive approaches seem to be quite evident in newer organisations but not near as widespread in longer established organisations. A study of HRM practices in newly established ('greenfield') companies confirms this focus on extensive direct communications with individual employees (Gunnigle 1992a). This study suggests that the nature and scope of communications fora are more sophisticated in the great majority of US owned firms – particularly in the computer/high technology sector. The more sophisticated firms tend to use a range of communications mechanisms with particular emphasis on direct communications with individual employees. The most

common approaches focus on ‘cascade’ mechanisms with briefings for different employee levels augmented by communications through line management, general workforce meetings and other written and oral communications. However, the majority of older established Irish organisations seem to adopt less sophisticated approaches and rely primarily on collective bargaining, basic written communications and normal line management-employee interactions.

## Conclusions

In Ireland, as elsewhere, it has been argued that competitive pressures have reduced trade union power and encouraged organisations to adopt more innovative industrial relations practices (Flood 1989). The evidence presented in this paper suggests that any change in the dominant paradigm of industrial relations is more likely to be of a piecemeal nature, with movement being gradual rather than dramatic and involving incremental modification of the adversarial and pluralist model of industrial relations. The literature on workplace industrial relations in Ireland suggests that the most visible examples of pro-active HRM type policies are in foreign owned companies, particularly of US origin, which have established in greenfield sites since the late 1970s (Murray 1984, Gunnigle 1992a). Ireland has seen a dramatic growth in the number of Multinational Companies (MNC) establishing here since the 1970s. Most of these companies are located in high technology sectors and are more likely, compared to the traditional manufacturing sector, to be either non-union or have low levels of unionisation. A significant number of these companies pursue an alternative pattern of employee relations to the established pluralist tradition. However, the evidence from the Price Waterhouse Study does not point to significant change or the adoption of alternative patterns of employee relations beyond the ‘Hi-Tech’ sector. Indeed, for the majority of companies, it appears that the thrust of any change is likely to take the form of the dualist approach associated with neo-pluralism.

The picture emerging from the Price Waterhouse Cranfield Survey data does not appear as bleak for trade unions as some commentators have indicated. In general, the survey data seems to indicate that union recognition, density and influence in Irish organisations remains quite robust with high levels of union recognition and union density permeating most Irish organisations. This finding contrasts with recent research evidence on employee relations in recently established greenfield firms which identifies a significant dilution in levels of trade union density and recognition (Gunnigle 1992a).

Based on the evidence presented in this paper, it would appear that established industrial relations institutions and approaches remain largely intact and will continue to be relevant in the 1990s. However, developments in business strategy and product markets are creating greater organisational awareness of the impact of industrial relations issues on organisation performance. In particular, it would appear that employers are increasingly seeking to adapt selected HRM techniques (such as performance related pay). However, the more widespread adoption of comprehensive

HRM approaches would require significant change in the approach of Irish managements, particularly in relation to integrating industrial relations considerations into strategic decision making. Thus, it seems more likely that where HRM initiatives are adopted, this will occur alongside, rather than in place of, traditional workforce management approaches, particularly collective bargaining. It does not, therefore, seem plausible to suggest that organisations will jettison all past practice in favour of such techniques, and by implication that HRM is about to replace traditional industrial relations. There is little evidence to support the 'post modernist' hypothesis that we are moving to a new paradigm of employer-employee relations (Lash & Ury 1988).

## Notes

1. An analysis of the response levels indicates that it was reasonably representative of the overall population. This analysis is available on request from the authors.
2. Using the logistic regression method which divides the dependent variable into union and non-union rather than a continuous variable measuring union levels as used in the stepwise regression method produced similar results to those in equation 3 and are therefore not reported.
3. According to the 1991 Labour Force Survey (Central Statistics Office) 9% of the employed labourforce was classified as part-time workers. Thus our Threshold of 20% for part-time workers is well above the average. Unfortunately there are no comparable data on casual and temporary workers.

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## Appendix

The stepwise regression procedure is used for all equations and the dependent variable in each equation is union density.

**Table (i): Determinants of Union Density at Establishment Level**

Variables+	Equations		
	1	2	3
<i>Size</i>	0.24 (3.9) ***	0.14 (2.9) **	0.19 (2.9) **
<i>Sector</i>	0.12(1.97)	1.9 (7.6) ***	
<i>WC</i>	-0.25 (3.7) ***	-0.2 (3.2) **	-0.25 (3.5) ***
<i>Market</i>	0.08 (1.1)		0.11 (1.5)
<i>Status</i>	0.03 (0.3)		0.04 (0.6)
<i>Part-time</i>	0.08 (1.1)		0.07 (1.0)
<i>US</i>	-0.08 (1.0)		-0.08 (1.1)
<i>Irish</i>	0.002(0.02)		
<i>EC</i>	0.00		
<b>Industry</b>			
<i>Hi-Tech</i>	-0.87 (3.2) **	-0.89 (3.8) ***	-0.8 (3.0) **
<i>R2 (adjusted)</i>	.23	.32	.26
<i>F Ratio</i>	14 ***	27 ***	13 ***
<i>N</i>	269	269	207

\* < .05      \*\* < .01      \*\*\* < .001

t statistic in parentheses

+ The absence of a statistical result for a variable indicates that the variable is not included in the equation. Exceptions are Industry type where for convenience only statistically significant variables are printed.

### Variable List

Union Density    1 = '1-25%' 2 = '26-50%' 3 = '51-75%' 4 = '76-100%'  
 Sector            1 = public sector, 0 = private sector  
 Size              1 to 9 for employee numbers from 1-5000+  
 WC                1 to 6 indicating increasing proportion of white collar employees  
 Part-time        1 to 8 indicating increasing proportion of part-time to full time employees  
 Status            1 = multi-establishment, 0 = single establishment  
 Market\*         1 = home market, 0 = international market  
 Origin            1 = 'US' 2 = 'Ireland' 3 = 'EC' 4 = 'rest'

\* Given the small size of the Irish economy establishments are divided into those who produce for the home market and those who export to other countries.

**Table (ii): Effects of HRM Practices on Union Density in Establishments**

Variables+	Equations	
	4	5
<i>Size</i>	0.16 (3.0) **	0.16 (3.2) **
<i>Sector</i>	1.4 (5.0) ***	1.6 (6.3) ***
<i>WC</i>	-0.28 (3.1) **	-0.28 (4.8) ***
<i>Hi-Tech</i>	-0.64 (2.6) ***	0.67 (2.7) ***
<b>HRM Practices</b>		
<i>Pay</i>	-0.42 (2.1) *	
<i>Budget</i>	.23 (0.8)	
<i>Commun</i>	0.09 (1.6)	
<i>Flexi</i>	-0.03 (0.6)	
<i>Numeri</i>	0.03 (0.6)	
<i>Strat</i>	0.05 (0.9)	
<b>HRM</b>		
<i>R (2)</i>	.31	.3
<i>F Ratio</i>	21 ***	25 ***
<i>N</i>	269	269

\* < .05      \*\* < .01      \*\*\* < .001

t statistic in parentheses

**List of HRM Variables**

Strategy	1 = written HRM strategy 0 = none
Budget	1 = training budget greater than 5% 0 = less than 5%
Pay	1 = existence of performance pay and profit sharing schemes 0 = none
Commun	1 = briefing on financial strategy for employees 0 = none
Flexi	1 = jobs made wider/more flexible over last 3 years 0 = no change
Numeric	1 = over 20% of workforce 0 = less than 20%
HRM	Four practices, budget, pay, commun and flexi are added together to give a composite variable scored 0 to 4 for each company