

Models of employee representation within multinational companies (MNCs) in Ireland

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Employee representation

- Fall in union density levels across a number of countries (see Visser, 2006)...growing representation gap (Towers, 1997)?
- Growth in non-union structures of employee representation (NUER) (cf. Kaufman and Taras, 2000)
- Using two employee representation structures - trade unions and NUER – we identify four different models
 - 1. None; 2. Non-union only; 3. Trade union only; 4. Dual structures

Research objectives

- Specifically the paper addresses two research objectives:
 - Profile the incidence and the determinants of different models of employee representation.
 - Explore managements approach to each of the different models of employee representation both in terms of the provision of information & consultation (I&C) and the types of information provided.
- Focus is on MNCs in Ireland

Methodology

- First representative study of employment practices of MNCs in Ireland (see Lavelle et al., 2009) – part of *INTREPID*.
- Data collected between June 2006 and February 2007 and involved face-to-face interviews with senior practitioners.
- 260 responses (63% response rate)
- Descriptive and regression analysis used in analysing the data.
 - Influencing factors - employment size, impact of the EU I&C Directive, vintage, sector, and country of origin

Employee representation structures

	Trade unions	NUER
All sites	40% (103)	23% (59)
Some/most sites	21% (55)	9% (25)
No sites	39% (102)	68% (175)
Total	100% (260)	100% (259)

Employee representation models

Representation models	%
None	23% (59)
Non-union only	16% (42)
Union only	45% (116)
Dual structures	16% (42)

Regression results

<p><u>No structures</u></p> <ul style="list-style-type: none">– I&C Directive (-)– Vintage (-)– Financial & business services (+)– UK, Ireland (-)	<p><u>Non-union only</u></p> <ul style="list-style-type: none">– I&C Directive (+)– Vintage (-)– Financial & business services (+)
<p><u>Trade union only</u></p> <ul style="list-style-type: none">– Vintage (+)– Financial & business services, other (-)– UK, Ireland, other foreign (+)	<p><u>Dual structures</u></p> <ul style="list-style-type: none">– No significant influences

Management's approach to I&C by ER model

	Non-union only	Union only	Dual structures	Total
Minimal information required for compliance	5% (2)	7% (8)	2% (1)	5% (11)
Information slightly beyond that required	22% (9)	15% (18)	10% (4)	16% (31)
Information somewhat beyond that required	44% (18)	30% (35)	50% (21)	37% (74)
Information considerably beyond that required	24% (10)	34% (39)	24% (10)	30% (59)
Information far beyond that required	5% (2)	14% (16)	14% (6)	12% (24)
Total	100% (41)	100% (116)	100% (42)	100% (199)

Chi square test non-significant

Types of information provided by ER model

	Non-union only	Union only	Dual structures	Total
Financial position of the company in Ireland	76% (29)	73% (85)	70% (28)	73% (142)
Investment plans in Ireland	61% (23)	60% (68)	77% (30)	63% (121)
Staffing plans in Ireland	50% (19)	55% (64)	60% (24)	55% (107)

Chi square test non-significant

Discussion & conclusions

- Single shot approach - different types of employee representation models in MNCs operating in Ireland
 - Evidence of a representation gap – why?
 - Trade union only model most common – despite decline
 - Growth in non-union and dual structure models – new developments in the Irish IR context
- Influencing factors all had varying impacts (except in relation to dual structures model)
- Very little difference between the approach of management to the provision of I&C or the types of information provided and the different models.