UNION STRATEGY, MEMBERSHIP ORIENTATION & UNION EFFECTIVENESS:
AN EXPLORATORY ANALYSIS

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I. INTRODUCTION
Since the early 1970s union membership has been in a process of continual decline in most industrialised countries, including Australia (Blanchflower, 1996 and Western, 1993 and 1995). Australian Bureau of Statistics survey data estimates Australian union density rates declined twenty percentage points between 1975 (51.0 percent) and 1996 (31.0 percent); the rate of this decline has in fact accelerated since the 1980s.\(^1\) Declining membership can be perceived as a more general crisis for trade unions in which their legitimacy as interest organisations has been called into question by falls in public support and changing managerial strategies which attempt to instil individualism in worker attitudes and beliefs (Peetz, 1997a).

It is no surprise therefore that the causes of union decline has formed a core topic for labour research and debate throughout the 1990s. While no single factor explains the decline in Australian union membership, consistent with international research, it is generally hypothesised that the major cause has been changes in the structure of employment and industrial activity. While jobs have been destroyed in those industries with high-density rates, job creation has been concentrated in industries which have been traditionally lowly unionised. Similarly, employment growth has favoured small firms and ‘non-traditional’ forms of work such as part-time, casual and temporary work, which have traditionally been low union areas of employment (Bodman, 1996; Borland and Oularias, 1989; Peetz, 1990, 1992 and 1996). In addition, other researchers have pointed to changes the regulatory environment and a decrease in the level of legislative support for unions (McDermott, 1997)

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\(^1\) The Australian Bureau of Statistics collects two series of union membership statistics. The first series is calculated from an annual questionnaire administered to unions (Trade Union Statistics, Australia, ABS Cat. No. 6323.0). This is now discontinued as a series, but is available as a special report. This has been an increasingly unreliable estimate, although unfinancial members can be identified. The second series is calculated from supplementary questions administered biennially as part of the Australian Bureau of Statistics’ monthly population survey (Trade Union members Australia, ABS Cat. No. 6325.0). This series is seen as the more reliable estimate. The figures given here are taken from these survey estimates.
Less well researched is the role of unions themselves. It has long been argued by some that Australian unions have been dependent on the arbitral system for the supply of resources critical to their capacity to function; see in particular Howard (1977, 1983). The arbitral-focus of Australian unions is said to have reduced the tactical importance of strikes and other industrial tactics, and as a consequence, reduced the importance of workplace union organisation and membership involvement in union decision-making (see Gahan (1996) for an overview of the dependency literature). This relationship has obvious implications for internal democracy within unions, rank-and-file commitment to unionism and the capacity of unions to recruit and maintain membership and mobilise membership (Fairbrother, 1986 and 1990). The general decline in arbitral support for unions, along with the rise of workplace bargaining as a primary means for gaining wage increases and influencing managerial decision-making, is also said to have reinforced these effects.

In addition, more recent criticism has focused on the role of union leaders. Bramble (1995), for instance, has argued that union leaders have become increasingly professionalised, entrenched and remote from their members, which in turn has contributed to declining membership. Within the union movement itself, there has also been an ongoing debate about appropriate strategies to reverse membership decline (Berry and Kitchener, 1989; Crosby and Easson, 1992; Evatt Foundation, 1995; ACTU, 1987 and 1997), particularly in relation to amalgamations, recruitment strategies, and the efficacy of traditional industrial strategies. More recent attention has focused on the internal structure of unions and the effects of union delegate structures at the workplace and supervisory behaviour on membership levels (Alexander and Peetz, 1997; Iverson and Buttigieg; Peetz, 1997a and 1997b).

With the exception of this latter research, however, there is only limited empirical research to evaluate the influence of union strategy and membership involvement on the capacity to respond to declining union membership. Using a unique data set drawn from a survey of union officials, this paper seeks to contribute to these debates through an exploratory analysis of the relationship between union strategies and effectiveness. In doing so we explicitly draw on US research where a more systematic analysis of union effectiveness has been undertaken.

One important dimension of most models of union performance is the conflict between organisational objectives or imperatives and the realisation of membership objectives. In this context unions are viewed as distinct from business organisations in that they face two rationales: organisational and representative goals (Child, Loveridge and Warner, 1973). This debate has centred on the extent to which union structures are centralised and the extent to
which members are involved in union decision-making (Strauss, 1991). From this perspective, organisational effectiveness appears to be in conflict with democratic traditions within unions. While efficient decision making often requires decision-making structures where the locus of control is centralised within the union hierarchy, long term union effectiveness is contingent on the decision of individuals to join a union, and their active involvement of members in union affairs (Sverke, 1997; Golden 1997; Kochan and Katz, 1988: 175-182). This relationship can be summarised as follows.

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\begin{align*}
\text{Union Democracy} & \Rightarrow \text{Commitment to Unionism} & \Rightarrow \text{Membership Involvement} & \Rightarrow \text{Union Strength & Effectiveness}
\end{align*}
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Fiorito, Gramm and Hendricks (1991), however, suggest a more useful approach is to examine the effects of specific strategic orientations on union performance controlling for the extent to which unions take account of membership demands and allow for participation (also see Fiorito, Jarley and Delaney, 1993). This approach does not imply that effective organisation and the satisfaction of membership goals are necessarily in conflict. While tensions between organisational and representative goals may exist, the satisfaction of both is seen as important for union performance.

To empirically test these relationships, we consider two things. First, we examine the extent to which union strategies are associated with a union’s organisational effectiveness and membership decline. Second, drawing on the debates over the relationship between union democracy and effectiveness, we consider how a union’s relationship with its members influences effectiveness and membership decline. To do this we introduce the concept of ‘membership orientation’. The concept explicitly borrows from marketing literature, where empirical research suggests organisational performance is influenced by the extent to which organisations are ‘customer-oriented’. Consistent with this literature we find the extent to which a union is ‘member-oriented’ has an important effect on both its effectiveness and the extent to which it has been capable of minimising a decline in membership.

The paper is organised as follows. Section 2 outlines the literature which examines the relationship between union strategy and effectiveness. We examine those strategies which are important in the Australian context and their hypothesised influence on effectiveness and membership. In section 3 we then examine theories of union goal setting and democracy, and their hypothesised relationship with union effectiveness. Here we introduce the concept of membership orientation to examine how a union’s attitude towards membership involvement
influences effectiveness and membership levels. Then in section 4 we describe the data set and the regression results, while Section 5 summarises the main findings and implications of the survey results for union strategy.

II UNION STRATEGY AND UNION EFFECTIVENESS.

The concept of organisational effectiveness has been the subject of considerable attention within organisational studies, but no single model of effectiveness has been employed (Stasser, Eveland, Cummins, Deniston and Romani, 1981; Cameron and Whetton, 1983). As a consequence, Fiorito, Jarley and Delaney (1993: 112) suggest ‘cumulative progress has been slow and there is much confusion on some key points.’ A major point of debate concerns the dimensions of organisations to be included in any construct of effectiveness and how it should be measured.

The effectiveness literature distinguishes between goals and systems models. While ‘goals models’ assume organisations have clear and defined objectives which are then pursued through the formulation and implementation of strategies, ‘systems models’ draw from the biological metaphor and emphasise effectiveness of organisations as systems. To this extent, maintenance of an organisation as a stable system of interaction, as well as its relationship to its environmental context, is viewed as equally if not more important than simply the achievement of organisational goals. Thus, ‘goals models focus on indicators of organisational outcomes, while natural systems models emphasise processes and operations.’ (Fiorito et al., 1993: 114) While there are obvious tensions between these two approaches, Fiorito et al. (1993:114) suggest complementarities between the two approaches are identifiable, in that ‘each approach stresses a different and important facet of the complex phenomena of organisational effectiveness.’

The industrial relations literature on union effectiveness borrows directly from these models of organisational effectiveness. This research, which largely stems from the work of Fiorito and Jarley and their colleagues (also see Hammer and Wazeter 1993), reflects the more integrated approach, and has been adapted to account for the unique status of unions as membership organisations. This is particularly important where unions are viewed as organisations of individuals with both common interests in defending wages and working conditions, but simultaneously consisting of ‘heterogenous constituencies,’ each with diverging goals and preferences (Fiorito et al. 1993). Moreover, the set of objectives which individual unions pursue, as well as the relative priority which they give to each, varies
enormously, both between unions, and within an individual union over time (Gahan 1998a). Similarly, strategies and, therefore, internal decision-making and structures for membership involvement, will differ markedly between unions. In terms of the measurement of organisational effectiveness, these observations point to the inherent difficulties in defining goals and processes form the criteria for measuring effectiveness.

Fiorito et al. (1993) suggest researchers focus on specific dimensions (or ‘penultimate variables’) of union performance and goal-achievement. This approach, they argue, allows for a more context-contingent application of any overall construct of effectiveness.

The dilemma of how these penultimate variables are to be identified is resolved by a consideration of the nature and purpose of union strategies. ‘Strategies,’ Fiorito et al. 1993: 121) argue, ‘yield operating or penultimate goals. These then suggest specific measures that can be used as criterion variables.’

The changing economic and institutional environment which all unions face has prompted a new interest within the union movement in auditing existing union practice and the identification of appropriate strategies. This has in part been influenced by US developments, as well as ‘homegrown’ investigations and reflections on the strategic orientation of Australian unions (ACTU, 1987; Berry and Kitchener, 1989; Costa and Duffy, 1990; Costa, 1992; Evatt Foundation, 1991 and 1995). This interest has been paralleled by a growth in academic research on new typologies of union strategy or assessments of the efficacy of specific union policies, such as amalgamations (Gardner, 1989; Ellem, 1991; Dabscheck, 1995; Gahan 1998a). These efforts have pointed to a number of strategy proposals, some of which have been introduced by individual unions, while others have been adopted and implemented through the Australian Council of Trade Unions (ACTU). The most notable of these were union amalgamations, the use of consumer services (credit cards, travel, insurance, etc), enterprise bargaining, and more recently, the ‘Organising Works’ campaign and the use of information technology. Along with these innovations, unions have utilised more traditional industrial strategies, such as arbitration, strikes and other industrial actions. We therefore examined a number of strategies which have been viewed as ‘innovative’ as well as more traditional strategies associated with Australian unions, and

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2 See for example Shostak (1989) which became a handbook of innovative organizational and bargaining strategies within the US union movement. The ACTU has been heavily influenced by innovative organising strategies within the US union movement, and set a delegation of senior ACTU and union officials on study missions to the US (see Gahan 1995).

3 For a useful overview of these developments see ACTU Congress papers on <http://www.actu.asn.au/national/about/policy/annual.htm>.
consider their impact on organisational effectiveness and membership. The remainder of this section therefore outlines various strategies and their hypothesised effects on effectiveness and membership.

**Arbitration.** The idea that dependence on arbitration has a deleterious effect on Australian unions has a long history (see Gahan, 1996), and has apparently been ‘widely accepted in the industrial relations literature’ (Griffin and Scarcebrook, 1990: 24). A central proposition of the dependency theory is that arbitration removed the need for unions to develop strong workplace organisation and be responsive to member needs. While this may have enabled relatively weak unions to serve small and passive memberships, this may no longer be the case. Where unions are dependent on arbitration for the supply of resources critical to their ability to achieve their goals, it would be expected that changes in the legislative support for unions and limitations on their use of compulsory arbitration will result in declining union effectiveness and membership (Costa, 1992).

**H1:** We therefore expect union use of arbitration will be associated with lower union effectiveness and a decline in union density.

**Political Action.** In purely instrumental terms, unions provide more than selective private goods to their members (Cregan, 1997). Their role as political institutions involves unions articulating broader social interests and the provision of collective goods to workers more generally. Political action has also been employed to pursue organisational rights of recognition and to strengthen or institutionalise their labour market position or an importance as a political institution (Martin 1981). In the Australian case, the use of political action has been a central strategy used by many if not all unions over the last century. During the period of the last Labor government, the Accord process was predicated on union incorporation into political decision-making (Dabscheck, 1995). Paradoxically, decline in membership was a significant aspect of this period of involvement (Western 1996). Since then, the election of a conservative government in 1996 has signalled a new period of hostility to union involvement in the political process. Though such involvement may still provide some benefits to unions, the returns to political action would be expected to have declined substantially.

**H2:** We therefore expect union use of political action will be associated with decreased union effectiveness and a larger decline in density

**Strikes.** Strikes have been the principal means by which unions have been able to secure improvements in wages and conditions of work. They underpin the use of collective bargaining by forcing recognition and imposing costs on firms who fail to make a bargain. In
In this respect, we would expect union use of strikes to be positively associated with membership support and union capacity to achieve its objectives. In the Australian context, strikes have also served as a substitute for grievance procedures or as a means to expedite arbitration (Dabscheck, 1995). Ogden (1993) argues, however, that changes in the organisation of work require unions to develop more cooperative arrangements with firms. This in turn means traditional strike-based industrial strategies are likely to be less effective. Moreover, the negative externalities associated with strikes undermine the legitimacy and support for unions: ‘the damage done to the whole movement over the long term far outweighs the benefits won in the dispute’ (pp. 55-6).

**H₃:** Union reliance strike action is hypothesised to reduce union effectiveness and contribute to decline in union membership.

**Amalgamations.** Since its inception, the ACTU has favoured a ‘rationalised’ union movement structured along industry lines. The inability of the ACTU to impose its will on affiliates meant that this policy remained a ‘pipe-dream’ (Gill and Griffin, 1981). Following the development and ratification of a strategy of amalgamations (ACTU, 1987; Davis, 1989), and with the support of enabling legislation, the ACTU has been able to facilitate large-scale amalgamations among its affiliates (Dabscheck, 1995). The benefits of doing so were said to include increased bargaining power, economies of scale in the delivery of union services, a decrease in costly jurisdictional disputes and rivalry between unions competing for members, and more efficient bargaining structures, particularly with the emergence of larger scale firms (ACTU, 1987; ACTU/TDC, 1987; Berry and Kitchener, 1989; Crean and Rimmer, 1990; Hocking, 1990; Evatt Foundation, 1995). Union amalgamations have also been criticised as an inappropriate response to declining membership. Costa and Duffy (1990, 1991) for instance argue amalgamations are unlikely to produce economies of scale or enable unions to meet the diverse needs of members. Despite the large number of amalgamations between 1989 and 1993, jurisdictional disputes between unions continued (Gahan, 1993); and internal disputes which involved the expenditure of large sums of union resources on litigation have substantially weakened the financial position of some unions (Gahan, 1997). Dabscheck (1995) contends amalgamations have not lead to improved services for members. In his view, unions have imposed financial burdens of restructuring on indifferent or unwilling members, and at time when they could least afford to do so. Amalgamations, he argues, became a substitute for recruitment, and the large organisations which amalgamations create are unlikely to be appealing to the ‘marginal unionist’. In this view, the strategy of union amalgamations would be associated with declining union effectiveness.
**H4:** We therefore hypothesise that amalgamations will potentially have differential effects on union effectiveness and union membership.

*Enterprise Bargaining.* Following a period of centralised wage bargaining in the mid-1980s, the level of wage bargaining began to shift from the national to the enterprise-level (see Gardner and Palmer, 1997 for an overview). Though employers and unions argued for different models of enterprise bargaining, there was only limited opposition to changes implemented through the Accord process. By 1993, reforms to the *Industrial Relations Act (1988)* institutionalised enterprise bargaining as the dominant level of wage bargaining within the Australian system (Dabscheck, 1995). The workplace focus which enterprise bargaining is said to engender was expected to improve the services offered to members at the workplace, and to promote more harmonious relations between management and employees. Moreover, the Accord has been viewed as contributing to union decline as it provides some incentives for non-unionists to ‘free-ride’ (Keynon and Lewis, 1992). Yet Peetz (1992) finds little evidence to support the free-rider hypothesis or that workplace bargaining had any positive effects on union membership. Enterprise bargaining may have larger transaction costs, and therefore divert resources from the provision of other union services, although at the same time, may overcome the free-rider problem associated centralised bargaining structures. Shaw, (1997) however, notes that unions have limited experience with enterprise-level bargaining, which may impact directly on their effectiveness. International evidence suggests a robust relationship between decentralisation of wage bargaining and low union density (Bean and Holden, 1993).

**H5:** We therefore hypothesise that enterprise bargaining is associated with reduced union effectiveness and a larger decline in union membership.

*Recruitment and Retention Strategies.* The traditional focus on arbitration and the provision of the closed shop is often said to have removed the need for union concern with recruitment strategies (Gardner and Palmer, 1997). The decline of the closed shop and the more general decline in union membership have, however, made recruitment a key union imperative. This is reflected in attempts by the ACTU to implement policies to encourage unions to develop recruitment strategies themselves. In 1993, the ACTU funded a study tour to the US to examine new recruitment strategies (Gahan, 1993). Following recommendations from that project, the 1993 Congress allocated $10 million to establish a national recruitment program called ‘Organising Works’ (Gahan, 1995). Following a period of training, Organising Works graduates were placed with individual unions to recruit new members, particularly young people. In addition, the ACTU encouraged individual unions to develop recruitment
strategies which reflected the specific circumstances they faced. While there is no evidence that these strategies impact on the overall level of union membership, there is some case study evidence to suggest recruitment and retention strategies have enabled some unions to halt or reverse the decline in their own union membership (ACTU, 1997).

**H₆:** We therefore hypothesise that a focus on recruitment and retention will be associated with greater union effectiveness and a lower decline or reversal in union density.

**H₇:** Support for the ‘Organising Works’ campaign is expected to be associated with greater union effectiveness and a lower decline or reversal in union density.

*Non-industrial (Consumer) Services.* In the US and the UK, decline in membership has been associated with the emergence of new models of ‘union servicing.’ In the US, a number of unions have used ‘associate membership’ programs in which the primary benefit of membership is the provision of consumer services, such as discount travel services, credit and banking facilities, health care, legal services and so on (Fiorito and Jarley 1992, Northrup 1991, Shostak 1991). Generally, the services provided to members have some association with work or industrial needs. In the UK, Bassett and Cave (1993), Mason and Bain (1991), Sapper (1991), Heery and Kelly (1994), Snape (1995a & b) and Williams (1997) all note the provision of similar services has been an increasingly important part of union strategies. Heery and Kelly have referred to this as a ‘managerialist’ model of union servicing. Australian unions have also employed this approach (Poleson 1992, Hall and Harley 1998). However, there is some doubt about the efficacy of this strategy. Frequently, additional benefits provided are little more than undifferentiated mass services (such as credit cards) which offer little or no value to members (Costa 1992). Such product proliferation can be counter productive if not guided by members’ needs and perceptions of value. In such instances, scarce resources used in pursuing a managerialist strategy are wasted.

**H₈:** We therefore expect a managerialist strategy will potentially have differential effects on union effectiveness and membership.

Finally, we speculate on the effects of professionalisation of union leadership. While few studies have examined this aspect of union organisation (Callus, 1986; Bramble, 1995). Bramble’s (1995: 422) study finds that unions have increasingly recruited leaders and paid officials not drawn from their membership, and have consequently ‘differentiated from the rank-and-file membership’ in terms of their educational level and managerialist values. The
outlook and interests of such officials have, in his view, contributed to a decline in union
democracy, and in turn decline in membership.

\[ \text{H}_0: \text{We therefore expect professionalisation to be associated with reduced}
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\[ \text{organisational effectiveness and a larger decline in union membership.} \]

III. UNION GOAL-SETTING AND INTERNAL DEMOCRACY.

At the heart of any union theory are assumptions about union goals (Gahan, 1998b). In
economic models, unions are usually assumed to act as monopolists, setting the wage rate
unilaterally to ‘maximise the expected or total utility of its members, and allowing the
employer complete discretion over employment’; or unions and firms ‘bargain over wages
and employment and reach an outcome efficient for them both’ (McDonald and Solow, 1981:
896). This view, however, represents an untenable construction of union objectives for a
number of reasons. While these assumptions may be useful or necessary for economic
models, they are inconsistent with empirical evidence on the range of objectives that unions
pursue (Gahan, 1998b). Indeed, Pencavel (1985: 223) argues that the pervasive use in
economics of assumptions about a union objective function has:

not arisen because of persuasive evidence of the empirical relevance of these modelling
assumptions, but because of the theoretical convenience of certain simplifying
assumptions and because of their conformity with analogous assumptions in other areas of
economics... In other words, it is ideology and the social aspect of economic inquiry – not
science – that accounts for the similarity in much of the work on behavioural models of
unionism.

Moreover, as Crouch (1982: 139) has noted, ‘a bewildering variety of union goals’ can be
identified over which unions must make explicit or implicit choices:

For example, should a union try to increase its members’ scope for doing overtime work
at premium rates, or should it press for the same work to be done by the employment of
a larger number of workers? Should a union accept increases in managerial control and
a reduction in manning levels in exchange for higher rates of pay... Even more
frequently, an implicit choice has to be made: an increase in wages may be pursued even
though it will lead to unemployment for some workers’ concerned; or an improvement
in working conditions may mean that less is available for higher wages.

As well as this diversity, a union’s objectives and preferences are likely to be intransitive over
time as membership composition changes and union leaders gain and lose office (Golden,
1997). Therefore, a more open ended approach is needed to develop an analysis of
behavioural dynamics. That is, it is necessary to look inside what Lewin and Feuille (1983:
345) refer to as the ‘black box’ of unionism and the range of union activities.
Various union theories have identified a range of union goals. Lange, Ross and Vanicelli (1982) for example, have argued that unions are involved in a series of exchange relationships in the market and political arenas, with their members, employers and managers, the state, and political parties. The most important of these is relationship is between a union and its members or potential members. Lange et al. (1982) identify four types of goods or incentives, which unions offer to members in return for membership and support. First, material goods provided selectively by a union which include, amongst other things, shorter hours, work-load or work intensity, other working conditions, as well non-pecuniary goods associated with grievance procedures and the provision of voice. Second, purposive, or ‘supra-personal goals’, which are social or collective in character, but form part of the utility functions of individual members who deem the union at least one of the possible agents to promote these goals. While purposive goods may be subject to free-rider constraints given their social or non-rivalrous nature, Lange et al. suggest these goals will nonetheless form a significant component in the incentive system of unions, particularly where they are pursued in combination with other incentives.

A third category of goods identified by Lange et al. are identity goods, which relate to the ability of individuals to ‘identify and to be identified with the set of principles and rights’ for which unions are constituted for, often expressed in a broader commitment to unionism itself. These form the ideological foundations of unionism itself. Fourth and final are sociability goods, or the ‘intangible rewards created by the act of associating’ and the interpersonal social bonds which come from feeling part of a relatively small and defined group, and from participating in union affairs. To other actors in the system, unions also provide goods, such as compliance of membership, and additional mediation goods in the provision of voice and collective goods associated with bargaining (Freeman and Medoff, 1984). The capacity to provide such goods to actors within the system, other than members or potential members, are reciprocated by recognition and the capacity to achieve goods demanded by members (Lange et al., 1982: 221-228; also see Crouch, 1982).

This exchange model suggests unions will pursue a range of goals which extend well beyond the demands of its membership. In terms of union relationships with firms or the state, these goals may in fact be aimed at limiting the expression of certain goals on behalf of members. Crouch (1979: 124) notes that close state-union relations in particular are often predicated on the ability of unions to ensure wage restraint, and membership compliance and industrial peace. Further, exchanges with firms and the state will be aimed at the furtherance of organisational goals which are distinct from those of membership.
This dichotomy between membership and organisational goals has been a common theme in union theory. An influential attempt to locate unions within organisational theory by Child, Loveridge and Warner (1973) distinguishes between administrative and representational rationality in the process of goal formation within unions. Representational rationality refers to the ideal of membership involvement in a union’s activities as a means for articulating their interests and providing adequate controls on bureaucratic and oligarchic tendencies. In contrast, administrative rationality is concerned with organisational efficiency in the process of goal implementation and the internal functioning of the union as an organisation. This rationality, which concerns, decision making within union bureaucracy and measures aimed at ensuring organisational survival and security, will at times be in conflict with representational rationality. Child et al. (1973: 77-9) suggests these conflicting rationalities will be reflected in contradictions and ambiguities over union goals, as well as the most appropriate strategies to pursue them.

One major element of the conflict between competing rationalities is the appropriate level of membership involvement. The pursuit of a strong and effective union bureaucracy will clearly contribute to a union’s capacity to pursue goals which are derived from its representational rationality. At the same time, however, bureaucratic organisational structures potentially compromise union democracy and have a negative influence on rank and file commitment, and in turn, their willingness to mobilise. Thus, a potential trade-off between short run and long run effectiveness is clearly evident (Kochan, 1980; Fairbrother 1986 and 1990; Heery and Fosh 1990). Bureaucratisation may compound this problem as union leaders become increasingly remote and insensitive to members demands and needs (Bramble, 1995).

From this perspective it has been argued by a number of union theorists that union democracy ‘is desirable, not because democracy is a good in itself (as it is) but because on balance democracy increases union effectiveness’ (Strauss, 1991: 201, also see Fairbrother, 1986; Hyman, 1971 and 1979). In this sense democratic practices can be viewed as mechanisms to ensure goal convergence between union leaders and members (Heery and Fosh, 1990). Notwithstanding the general consensus on the desirability of union democracy, the relative merits of specific democratic practices within unions have remained debated issues within union theory (Davis 1987; Heery and Fosh 1990; Strauss 1991). While the analogue of parliamentary democracy has been deemed adequate for some, more participative, inclusive and active practices have been advocated by others (see Fairbrother 1984 and 1986; Strauss 1991).
Following Heery and Fosh (1990: 22) we argue these various democratic practices can be ordered in terms of Hirschman’s (1970) model of ‘exit, voice and loyalty.’ Where union goals and orientations are inconsistent with members’ preferences, then exit from the union represented a basic democratic response: members in this sense ‘vote’ with their feet. Alternatively, union constitutions, regular meetings, elections for office, all represent means by which members can voice their preferences or opposition to union policies inconsistent with their preferences rather than exit. Heery and Fosh (1990) observe that less well-recognised are attempts by unions to influence their relationship with members through eliciting loyalty. Loyalty acts as both an alternative to exit and an activator for voice (Hirschman, 1970). They suggest unions seek to do so by ‘either deliberately matching union policies more closely to the concerns of members or seeking to mobilize support for the objectives of leaders’ (Heery and Fosh, 1990: 22). It is our contention here that many unions elicit loyalty through the extent to which they seek to be ‘membership oriented’. To fully understand this idea we explicitly borrow from the marketing literature where empirical research suggests customer loyalty and organisational effectiveness is influenced by the extent to which an organisation is ‘customer-oriented.’

The concepts of market and customer orientation are well-established within marketing. A ‘market orientation’ is variously described as the organisational ‘philosophy’ (Kohli and Jaworski, 1990) or ‘behavioural characteristics’ (Narver and Slater, 1990) that enable the firm to identify opportunities for creating superior customer value. Kohli and Jaworski (1990: 6) define market orientation as, ‘the organisation wide generation of market intelligence pertaining to current and future customer needs, dissemination of the intelligence across the departments, and organisation wide responsiveness to it.’ A market orientation, therefore, refers to an organisation’s understanding and awareness of customer needs and demands, and the processes that enable the firm to respond to such needs. The literature has consistently demonstrated positive relationships between market and customer orientation, business performance (Diamantopoulos and Hart 1993, Greenley 1995, Jaworski and Kohli 1993, Narver and Slater 1990).

Although the concepts of market and customer orientation have largely been used to explain differences in organisational performance in the for-profit sector, their use is less prevalent in not-for-profit organisations (hospitals, blood bank, public utilities), and membership organisations, such as unions (Costa, 1992). The combined effects of increasingly

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4 Although unions themselves may impose limits on the capacity of individual members from exercising this option.
competitive markets and deregulation have forced membership organisations to explore alternative strategies to ensure their survival (Kotler, 1988: 31).

Interest in market and customer orientation has coincided with a more general shift toward investigation of *relationship marketing* issues, including notions of customer retention and loyalty (Dick and Basu, 1994), customer advocacy (Cross 1992), and long term customer value (Reichheld and Sasser, 1990). Existing customers buy more of an organisations’ goods or services as they get to know the organisation (Reichheld, 1993). In addition to providing profitable growth, initial investments in the relationship are amortised over a higher volume of business. Furthermore, the extent to which relationship duration is a proxy for customer satisfaction, the likelihood that the customer will become an *advocate* of the organisation is increased (Bhattacharya, 1998). Moreover, customer retention influences the cost of servicing customers. Typically, these costs fall with time (Rosenberg and Czepiel, 1984).

The parties to the relationship are well defined, and each knows its roles and responsibilities in making the relationship work. The direct and the managerial cost of acquiring information and the cost of delays are significantly reduced. The retention of existing customers and the pursuit of long-term relationships have particular relevance to membership organizations, such as unions. This is particularly the case where the benefits of the membership organisation’s goods and services are non-exclusive.

The adoption of a market orientation is a necessary precursor to generating membership loyalty and retention. Contrary to a managerialist strategy where membership services are added often without a ‘customer’ focus, a membership orientation requires union strategy and behaviours to be responsive to members’ needs and perceptions of value. Empirical studies consistently demonstrate that customer orientated behaviours lead to the development of long-term relationships between the organisation and its customers that are beneficial to both (Dunlap, Dotson and Chambers 1988; Saxe and Weitz, 1982; Williams and Attaway, 1996). Likewise we would expect a membership orientation to have similar consequences for a union and its members.

**H1o:** We therefore expect a membership orientation will be associated with greater union effectiveness and a lower decline in union density.

**Operationalising the Concept of Membership Orientation.** The market and customer orientation literatures provide a fruitful resource for establishing a measure of membership orientation. Central to a marketing orientation is the generation or acquisition of customer related market intelligence (Kohli and Jaworski, 1990). Similarly customer oriented
behaviours ‘emphasise consultative, two-way, collaborative dialogue between all parties to the exchange so as to generate product and/or service responses promoting the satisfaction of customer needs’ (Williams and Attaway, 1996: 39). Accordingly, our measure of membership orientation incorporates communication effectiveness between the union and its members.

Also important to a market orientation is organisational responsiveness to customer related intelligence (Kohli and Jaworski, 1990). In conceptualising customer orientation, Narver and Slater (1990: 21) suggest a seller ‘understand a buyer’s entire value chain, not only as it is today but also as it will evolve over time subject to internal and market dynamics.’ Hence, the ability of the organisation to anticipate and respond to the changing demands of customers is central to a market and customer orientation. We include a measure of unions’ responsiveness to the changing demands of members as a component of our measure of membership orientation.

Though the concepts of market and customer orientation provide a valuable starting point for a measure of membership orientation, there is scope for a measure to reflect differentiated characteristics of membership organisations. Bhattacharya (1998) identifies two points of difference. First, the non-profit charter of most membership organisations provides structural opportunities for members to help the organisation, through volunteering time and services. Second, membership organisations offer greater scope for individuals to participate in organisational activities. While more traditional notions of utility maximisation in the use of an organisation’s services remain relevant, memberships are often characterised by greater affiliation with the organisation. Accordingly, concepts of social identity (Ashforth and Mael, 1989) and the extended self (Belk, 1988) are likely to affect perceptions of the organisation’s membership orientation. A member-oriented organisation will provide opportunities for members to participate in organisational activities and processes (e.g. working on committees, volunteering to run events). Thus the final component of the membership orientation measure incorporates the effectiveness of unions in providing opportunities for member participation in their affairs.

In summary then our model can be stated in the following way. Membership orientation, along with the strategy variables, are hypothesised to be important determinants of union effectiveness. We also hypothesise that these same variables will influence the ability of unions to respond to reverse or even simply minimise declining density rates.
IV  THE DATA AND REGRESSION RESULTS

The Survey. The data examined here is drawn from two surveys of 284 union delegates attending biennial Congresses of the ACTU in 1995 and 1997. Delegates to Congress include both elected and appointed officials from state and federal branches of individual unions, as well as workplace delegates representing specific groups of employees. A comparison of the sample population with estimates for the Australian workforce is given in Table I. Compared with the distribution of the unionised workforce by industry the sample population is broadly representative. However, retail and wholesale trade is under-represented and public administration is over-represented.

Table 1: Industry Characteristics of the Sample Population

<table>
<thead>
<tr>
<th>Industry Group</th>
<th>Percent of respondents in sample</th>
<th>Percent of total unionised workforce</th>
<th>Percent of workforce in the Australian economy</th>
<th>Percent of industry workforce unionised</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, Forestry &amp; Fishing</td>
<td>1.0</td>
<td>0.5</td>
<td>2.3</td>
<td>6.6</td>
</tr>
<tr>
<td>Mining</td>
<td>1.4</td>
<td>1.5</td>
<td>1.2</td>
<td>38.5</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>12.2</td>
<td>18.7</td>
<td>15.0</td>
<td>38.7</td>
</tr>
<tr>
<td>Electricity, gas &amp; water</td>
<td>2.8</td>
<td>2.1</td>
<td>1.0</td>
<td>65.4</td>
</tr>
<tr>
<td>Construction</td>
<td>5.2</td>
<td>5.0</td>
<td>5.2</td>
<td>29.7</td>
</tr>
<tr>
<td>Wholesale &amp; Retail trade</td>
<td>2.1</td>
<td>13.6</td>
<td>20.9</td>
<td>20.2</td>
</tr>
<tr>
<td>Transport and storage</td>
<td>9.8</td>
<td>7.1</td>
<td>4.6</td>
<td>48.0</td>
</tr>
<tr>
<td>Communication services</td>
<td>2.1</td>
<td>4.3</td>
<td>2.2</td>
<td>62.1</td>
</tr>
<tr>
<td>Finance, property &amp; business services</td>
<td>6.6</td>
<td>8.2</td>
<td>13.9</td>
<td>18.5</td>
</tr>
<tr>
<td>Public administration &amp; defence</td>
<td>21.0</td>
<td>7.9</td>
<td>5.2</td>
<td>46.9</td>
</tr>
<tr>
<td>Education, health &amp; community services</td>
<td>23.1</td>
<td>24.1</td>
<td>18.3</td>
<td>41.0</td>
</tr>
<tr>
<td>Recreational, personal &amp; other services</td>
<td>8.4</td>
<td>7.1</td>
<td>10.4</td>
<td>21.2</td>
</tr>
<tr>
<td>No Response</td>
<td>4.2</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Sources: ABS Cat No. 6325 and ACTU Congress survey data.

One endemic problem with survey techniques is the quality of the data collected. A number of steps were undertaken to overcome problems potentially associated with surveys of this kind. Respondents were assured of the confidentiality of their responses, and were told that data would appear in an aggregate form only and individual unions would not be identified in the results. The survey was conducted by approaching all delegates individually over a five-day period. This allowed for concerns about the survey to be discussed with potential respondents. Once a respondent agreed to take the questionnaire they deposited the completed form anonymously. Where requested, unions were also provided with a summary.

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5 The number of delegates that each affiliated union sends to Congress is proportional to its size (Gahan, 1997). All 640 (39) and 695 (37) union delegates (unions affiliated) attending the 1995 and 1997 Congresses were surveyed. Delegates representing State Trades and Labour Councils (that is, state offices of the ACTU), media and representatives of foreign national union bodies were excluded from the survey.
of the survey findings. The project was also supported by the ACTU, who encouraged delegates to complete the survey. Furthermore, multiple responses were received from each union and included a range of survey questions to allow for verification of responses. Items used from the survey to construct each of the independent variables are given in the appendix. The measure for union effectiveness was also drawn from the survey items. Our change in union density variable is drawn from publicly available ABS data, and refers to industry level changes in union density for the period 1990 to 1996. Unfortunately, while all other items required unions to respond with respect to their own union, the data only allowed for identification of respondents at the industry level.

Bivariate Analysis. Table 2 presents the means, standard deviations, Cronbach’s alpha where appropriate, and bivariate correlations among strategy and effectiveness variables. Cronbach’s alpha scores for the managerialist and recruitment variables did not reach an acceptable threshold level ($\alpha > .70$), but were considered acceptable for exploratory analysis (see Hair, Anderson, Tatham and Black, 1995). The most interesting result in the bivariate analysis, which we confirm in regression analysis, are the contradictory effects of political action and enterprise bargaining on organisational effectiveness and rates of decline in union density. In the case of political action, the variable contributed positively to union effectiveness, but increased the rate of decline in union density. In contrast, enterprise bargaining was associated with lower organisational effectiveness, but appears to contribute positively to membership. We offer an interpretation of these findings in our discussion of the regression analysis below.

Other noteworthy results from the bivariate correlations are the effects of membership orientation and recruitment. Unions which reported a stronger recruitment focus also reported higher organisational effectiveness, and experienced a lower rate of decline in membership density, although this later relationship was not statistically significant. No significant relationship between attitudes towards the Organising Works program and organisational effectiveness was found; however, unions which reported a greater reliance on Organising

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6 A small pilot survey was also conducted (n=10) to ensure the clarity of the questions and eliminate the possibility of soliciting inaccurate information. Where problems were identified questions were modified or replaced.

7 The use of perceptual data, where respondents are asked to make judgements in relation to their own union, which can be associated with a problem of ‘common methods variance’. This matter is discussed in the conclusion. In short, we note the potential problems with approach, but the measures taken to ensure the quality of the data and the consistency of our findings over both subjective and objective outcome variables gives us confidence that this has not been a major problem.

8 Note here the correlation coefficient between political action and rate of decline in density is positively signed. This implies that greater reliance on political action was associated with a larger decline in density as no industry experienced an increase in membership.
Works experienced a significantly larger decline in membership density. This result was reinforced by an examination of the descriptive statistics for this variable: less than half (43.7 percent) of all respondents agreed or strongly agreed with the statement, ‘The Organising Works campaign has been a success for this union.’

Table 2  Means, Standard Deviations, Reliabilities and Correlations Amongst Variables

<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>Mean</th>
<th>s.d.</th>
<th>α</th>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
<th>(6)</th>
<th>(7)</th>
<th>(8)</th>
<th>(9)</th>
<th>(10)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Political Activity</td>
<td>3.74</td>
<td>1.16</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Strikes</td>
<td>3.63</td>
<td>1.12</td>
<td>-.14</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3) Arbitration</td>
<td>3.42</td>
<td>1.10</td>
<td>-.11</td>
<td>-.12</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4) Enterprise Bargaining</td>
<td>3.83</td>
<td>1.10</td>
<td>-.11</td>
<td>-.03</td>
<td>.13</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(5) Amalgamations</td>
<td>3.10</td>
<td>1.10</td>
<td>-.00</td>
<td>.15</td>
<td>.06</td>
<td>.12</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(6) Recruitment</td>
<td>3.66</td>
<td>.93</td>
<td>.61</td>
<td>-.05</td>
<td>.10</td>
<td>-.05</td>
<td>.13</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(7) Managerialist</td>
<td>3.43</td>
<td>1.00</td>
<td>.53</td>
<td>-.03</td>
<td>.12</td>
<td>.07</td>
<td>.05</td>
<td>.05</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(8) Professionalism</td>
<td>6.42</td>
<td>1.62</td>
<td>.13</td>
<td>.08</td>
<td>.01</td>
<td>-.15</td>
<td>-.08</td>
<td>-.01</td>
<td>-.15</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(9) Organising Works</td>
<td>3.26</td>
<td>.97</td>
<td>-.01</td>
<td>.04</td>
<td>.21</td>
<td>.07</td>
<td>.23</td>
<td>.17</td>
<td>.03</td>
<td>.03</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(10) Membership Orientation</td>
<td>3.82</td>
<td>.69</td>
<td>.71</td>
<td>.08</td>
<td>.01</td>
<td>.05</td>
<td>.11</td>
<td>.18</td>
<td>.51</td>
<td>.02</td>
<td>-.04</td>
<td>.02</td>
<td></td>
</tr>
<tr>
<td>(11) Union Effectiveness</td>
<td>3.54</td>
<td>.85</td>
<td>.73</td>
<td>.19</td>
<td>.07</td>
<td>.03</td>
<td>-.16</td>
<td>-.04</td>
<td>.25</td>
<td>-.04</td>
<td>.06</td>
<td>-.01</td>
<td>.36</td>
</tr>
<tr>
<td>(12) Percentage Rate of Decline in Union Membership</td>
<td>-18.07</td>
<td>10.51</td>
<td>-.18</td>
<td>-.16</td>
<td>.04</td>
<td>-.17</td>
<td>-.10</td>
<td>.12</td>
<td>-.09</td>
<td>.24</td>
<td>-.05</td>
<td>-.05</td>
<td></td>
</tr>
</tbody>
</table>

Source: Calculated from the ACTU Congress survey data.
Correlations of .10 or greater are significant at the .05 level (one tail)

Regression Analysis. The ten hypotheses were tested using ordinary least squares regression analysis (Table 3). The most important results concern the effects of membership orientation on organisational effectiveness, which proved to be highly significant. Membership orientation was also significantly associated with a lower decline in membership density. This finding we argue confirms the important of internal democracy for union responses to decline, and the ability of unions to develop strategies which have a ‘democratic legitimacy’ with membership. This result contrasts with the findings for managerialist strategies, which was more weakly correlated (but still significant) with a union’s ability to limit decline in membership, although not organisational effectiveness. This result is perhaps not surprising as such strategies involve members as (transactional) consumers, not (involved) members.

Our discussion of the bivariate results observed a contradictory effect of both political action and enterprise bargaining on effectiveness and membership density. This finding was confirmed in the regression results. Where unions reported a greater reliance on political action higher levels of organisational effectiveness were reported, but a larger decline in membership density was experienced. As anticipated, enterprise bargaining was associated with a lower reported organisational effectiveness, but was associated with a lower decline in union density.

We interpret this finding as consistent with the free-rider hypothesis: while political actions which influence government decision-making contribute to organisational effectiveness, the
benefits to members are collective goods which are attainable irrespective of whether employees are members or not, or alternatively are not attributed to the union by members. This acts to decrease the incentive to join (see Crouch, 1982). While this suggests the traditional role of political action remains important to the strategic orientation and survival of Australian unions, it nonetheless points to natural constraints on its value as a union’s core strategy to meet both membership and organisational rationales. The enterprise bargaining coefficients can be interpreted in a similar way. While enterprise bargaining serves to highlight the value of unionism in the workplace, overcome the free-rider problem associated with political action, and may serve to reorient unions to membership, it is a costly strategy and undermines organisational effectiveness.

Table 3  Results of Regression Analysis

<table>
<thead>
<tr>
<th></th>
<th>Union Effectiveness</th>
<th>Change in Union Density</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Traditional Strategies</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political Action</td>
<td>.14*** (2.38)</td>
<td>.17*** (2.80)</td>
</tr>
<tr>
<td>Strike</td>
<td>.04 (.71)</td>
<td>-20*** (-3.21)</td>
</tr>
<tr>
<td>Arbitration</td>
<td>.02 (.40)</td>
<td>.01 (.10)</td>
</tr>
<tr>
<td><strong>B. Innovative Strategies</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enterprise Bargaining</td>
<td>-.17*** (-2.84)</td>
<td>-11** (-1.84)</td>
</tr>
<tr>
<td>Amalgamations</td>
<td>-.09* (1.61)</td>
<td>-.04 (-.66)</td>
</tr>
<tr>
<td>Recruitment</td>
<td>.07 (1.00)</td>
<td>.13** (1.85)</td>
</tr>
<tr>
<td>Organising Works</td>
<td>.00 (.01)</td>
<td>-.07 (-1.02)</td>
</tr>
<tr>
<td>Managerialist</td>
<td>-.04 (-.65)</td>
<td>-.09* (-1.53)</td>
</tr>
<tr>
<td>Professionalism</td>
<td>.04 (.61)</td>
<td>.22*** (3.57)</td>
</tr>
<tr>
<td>Membership Orientation</td>
<td>.36*** (5.42)</td>
<td>-12** (1.70)</td>
</tr>
<tr>
<td><strong>F (10, 259)</strong></td>
<td>6.68</td>
<td>5.22</td>
</tr>
<tr>
<td>Significance</td>
<td>.00</td>
<td>.00</td>
</tr>
<tr>
<td>R²</td>
<td>.21</td>
<td>.18</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>.18</td>
<td>.15</td>
</tr>
</tbody>
</table>

Source: Estimated from ACTU Congress survey data.

* The regression coefficients are standardised regression coefficients with t-values in parentheses
* p < .10 (t > 1.28)
** p < .05 (t > 1.654)
*** p < .01 (t > 2.33)

The results for strikes, professionalisation and amalgamation variables are also of interest. A greater reliance on the traditional strike method was not significantly related to organisational strength, but was associated with a lower rate of decline in membership density. This finding was contrary to the current thinking of some within the union movement outlined in section 2, but consistent with international evidence which demonstrates strikes remain effective tools for improving wages and conditions (see Waddington and Whitson, 1997). The inclusion of the professionalisation variable was motivated by Bramble’s (1995) hypothesis that differences in the class and educational background of union leaders and constituencies has
served to undermine unionism and contributed to declining membership. The findings provide some support for this hypothesis. While a more educated union leadership was not significantly related to organisational effectiveness (although the sign on the coefficient was positive), it was associated with a larger decline in membership density. Consistent with the pessimistic view of the amalgamation process, amalgamations were associated with lower reported levels of organisational effectiveness, but were not associated with any significant effects on membership.

V DISCUSSION AND CONCLUSIONS

The results confirm our hypothesis that membership orientation was an important determinant of union organisational effectiveness, and has important implications for union strategy. The regression results also provide support to reject claims that traditional strategies are no longer efficacious as premature or unfounded. Moreover, these findings suggest innovative strategies are unlikely to be the panacea for union problems expected of them. The findings, we argue, can be interpreted to imply that the efficacy of a union’s strategic choices will be contingent on whether these strategies have support from rank-and-file members. Strategic choices must have ‘democratic legitimacy’ to be effective. We argue that unions have achieved this, not only through standard internal democratic structures which promote voice, but also through the development of a membership orientation which promotes loyalty.

Moreover, consistent with customer orientation research, the results suggest the effectiveness of union strategies is contingent on whether they are responsive to members’ needs. This requires three criteria to be met. First, it requires that unions establish effective means of communication with members. While the most effective means to do so will be contingent on the nature of work and a range of industry and demographic factors, it signals the importance of information technology to the future success of unions (see Hartman and Marsh 1983). Second, unions need to be capable of identifying and responding to changing demands of members. Through ongoing contact and consultation with members, unions can begin to anticipate members’ requirements. Third, the results reaffirm the importance of internal democracy, although we are by no means convinced that parliamentary-style democratic mechanisms or rank-and-file activism are essential for this condition to be met. The membership orientation concept suggests internal democracy may be met by other means which are consistent with membership consciousness.

Finally, the results provide new insight into the cause of union decline, and point to fruitfully areas for further research. While we have confidence in the general contours of our results, it
is nonetheless important to be note some limitations of this study. First, more extensive measures of union effectiveness would provide stronger support for any conclusion which we could draw from our data (see for example the work of Fiorito et al. 1995). Second, we note the problems associated with reliance on self-report measures. However, the consistency of results using both self-report data on effectiveness and objective data on union membership suggest the problem of common variance is unlikely to be considerable. Nonetheless, less reliance on self-report measures of strategic orientation and effectiveness would serve to give greater confidence to the results. Third, membership data at the individual union would be more appropriate, and would allow us to identify more closely union success stories. Fourth, a more comprehensive set of items measuring membership orientation, which more closely reflect the various dimensions of customer orientation, would provide a more robust measure of that construct.
References


ACTU/TDC (1987) *Australia Reconstructed*, Canberra: AGPS.


## Appendix: Definitions of Variables and Sample Items

<table>
<thead>
<tr>
<th>Variable</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political Action</td>
<td>The extent to which respondents consider political action (eg. lobbying ministers) to be an important strategy for their union; 1 item; Measured on a five point Likert-type scale with responses ranging from Unimportant (1) to Very Important (5)</td>
</tr>
<tr>
<td>Strike</td>
<td>The extent to which respondents consider strikes and industrial action to be an important strategy for their union; 1 item; Measured on a five point Likert-type scale with responses ranging from Unimportant (1) to Very Important (5)</td>
</tr>
<tr>
<td>Arbitration</td>
<td>The extent to which respondents consider arbitration to be an important strategy for their union; 1 item; Measured on a five point Likert-type scale with responses ranging from Unimportant (1) to Very Important (5)</td>
</tr>
<tr>
<td>Enterprise Bargaining</td>
<td>The extent to which respondents consider enterprise bargaining to be an important strategy for their union; 1 item; Measured on a five point Likert-type scale with responses ranging from Unimportant (1) to Very Important (5)</td>
</tr>
<tr>
<td>Amalgamations</td>
<td>The extent to which respondents consider amalgamations to be an important strategy for their union; 1 item; Measured on a five point Likert-type scale with responses ranging from Unimportant (1) to Very Important (5)</td>
</tr>
<tr>
<td>Recruitment</td>
<td>The importance attributed to organising and recruitment for union success; 2 items; Measured on a five point Likert-type scale with responses ranging from Strongly Disagree (1) to Strongly Agree (5); Sample item - ‘This union should spend more on recruiting new members’</td>
</tr>
<tr>
<td>Managerialist</td>
<td>The extent to which respondents consider a managerialist orientation to be an important strategy for their union; 2 items; Measured on a five point Likert-type scale with responses ranging from Unimportant (1) to Very Important (5); items included the importance of advertising and the introduction of new membership services</td>
</tr>
<tr>
<td>Membership Orientation</td>
<td>The extent to which the union understands and responds to customer needs; 3 items; Measured on a five point Likert-type scale with responses ranging from Strongly Disagree (1) to Strongly Agree (5); Sample item – ‘This union responds well to the changing demands of its members’</td>
</tr>
<tr>
<td>Organising Works</td>
<td>The extent to which respondents perceived the Organising Works campaign to be a success for their union; 1 item; Measured on a five point Likert-type scale with responses ranging from Strongly Disagree (1) to Strongly Agree (5)</td>
</tr>
<tr>
<td>Professionalisation</td>
<td>The educational attainment of respondent, 1 item measured on an 8-point scale: no formal education (1) to university degree (8).</td>
</tr>
<tr>
<td>Union Effectiveness</td>
<td>Strength of the focal union relative to other unions; 3 items; Measured on a five point Likert-type scale with responses ranging from Strongly Disagree (1) to Strongly Agree (5); Sample item – ‘This union is in a stronger position than most other unions’</td>
</tr>
<tr>
<td>Change in Union Density</td>
<td>Rate of union density change by industry for the period 1990 to 1996. Rates of change were clustered into categories ranging from low decline in union density (=1) to high levels of decline (=5).</td>
</tr>
</tbody>
</table>

*Item was reverse-coded*