

# A CASE STUDY OF THE IMPACT OF MULTIPLE LABOR UNIONS AT THE WORKPLACE LEVEL ON THE INDUSTRIAL RELATIONS AND LABOR CONFLICT IN SOUTH KOREA

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## **1. Introduction**

Up until 2011 workers in South Korea were prohibited from establishing multiple labor unions within any individual company. Strictly speaking, since the enactment of the Labor Union Act in 1953, they were permitted to organize multi-unions beyond the individual company level, that is at the industrial, occupational or national level, but this study is to examine multi-unionism specifically at the individual company level. Under the Labor Laws, organizing multiple labor unions was allowed in South Korea, yet the Korean government and representatives of enterprises and labor unions agreed to suspend the implementation of multi-unionism at the workplace level, in company with an article of banning wage payment to full-time labor union officials. As a result of persistent persuasion of the International Labor Organization (ILO), it has been three years since these two articles – that is, a ban on wage payment to full-time union officials and permission for multi-unionism at the company level – were enforced in July 2011. Dobson (1997) stated that the term ‘multi-unionism’ was used when more than one union represented workers to exercise collective bargaining. However, he was prudent to define the term accurately, pointing out that a different structure of collective bargaining could alter the descriptions of union structure. Under the Korean system, the concept of multi-unionism is centered on whether each union has a solid body or not. It is to see if an association satisfies the legitimate structure and statutory conditions of labor unions to be recognized as one, forbidding any associations from getting organized transiently only for the purpose of collective bargaining. The implementation of multi-unionism brought a fair number of changes to the collective bargaining system. That is, a workplace with multiple unions needed to unify their bargaining channel first. Only management was allowed to choose whether or not to exercise fractional bargaining with each individual union. One of the key purposes of the single bargaining channel system was to reduce inessential bargaining costs and to stabilize industrial relations. If collective bargaining of multi-unions at the individual company level had been left

entirely to the autonomy of labor-management, it might have triggered disputes between labor and management during the process of unification of bargaining channel, damaged the uniformity of terms of conditions of employment due to overlapping bargaining and occurred excessive competition and fragmentation among multi-unions.

In the United States and Europe, multi-unionism in a company generally means that each worker joins one of the national level unions. As labor unions in the US are mostly at the industrial or occupational level, issues with multi-unions are very likely beyond the individual company level. Nonetheless, organizational competition among unions often occurs to win the exclusive bargaining representative of each unit, so eventually the competition tends to be dealt at the individual company level (Noh, 2010).

This research has examined sixty-six cases of workplaces with multiple labor unions in South Korea and analyzed changes in the industrial relations since the implementation of multi-unionism.

## **2. Background**

### *Rival Unionism*

There are many theories about rival unionism and a significant number of preceding studies on multi-unionism. These researches have contradictory stances on effectiveness of multiple unions, a connection between labor strikes and multi-unionism and effects of competition among unions. Some claim that competition among unions can hinder their activities, reduce efficiency and increase the number of strikes, whereas others argue otherwise. In their study in 1993, Machin, Stewart and Reenen suggested that “plants with multi-unionism and separate bargaining arrangements pay higher

wages, have lower financial performance and are more prone to strike action lasting at least one day”. Dobson (1997) claimed that multi-unionism would not weaken competitiveness of company or of unions. Pawlenko (2006) cited Freeman’s assertion (1986), “unions – like other institutions – need competition to keep them doing their best”, and emphasized reevaluation of competition among unions. On the contrary, after having analyzed data from the United Kingdom, Metcalf, Wadsworth and Ingram (1993) indicated that workplaces with multi-unionism tended to have more strikes. To investigate a correlation between the number of confederations of labor unions and strike incidence, Akkerman (2008) collected data for cross-national comparative analyses of strikes. Through the study, she noticed that countries with multi-confederations showed higher rates of strikes than ones with a single confederation. She stated that this higher incidence of strikes could be ascribed to union rivalry, especially “the propagandistic value of strikes to labor unions, which compete with one another for membership”. She also pointed out that the level of analyses needs to be lowered from the national level to the industrial level to examine the relationship between strikes and union rivalry. After having analyzed the data from seven European countries between 1990 and 2006, she noticed that strikes often occurred not on grounds of propaganda stratagem but on grounds of competition among unions to secure their bargaining agenda (Akkerman, 2008). What those contradictory researches on multi-unionism and union rivalry indicate is that industrial relations in each country reflect its own industrial environments and situations. Therefore, it is crucial to identify main factors in the correlation between multi-unionism and industrial relations, and this is where this study has begun.

### *Strategy Choice*

Industrial relations can be interpreted differently based on various viewpoints. Perspectives on labor-

management relations are diverse and can be classified into unitarism, pluralism and radicalism. Unitarism claims that industrial disputes can be effectively resolved through scientific management or other human resources management, therefore, the existence of labor unions is unnecessary. Pluralism, on the other hand, relatively widely acknowledges labor-management relations and examines all the actions, results, practices and systems caused by or from industrial relations. It stresses that labor unions can play a role in providing resolving conflicts between labor and management and emphasizes the importance of problem solving through the various custom, laws and system. Radicalism examines industrial relations from the viewpoint of labor and capital and claims to solve problems through revolutionary labor movements rejecting capitalism. These perspectives help to interpret issues like the range of the core agent of industrial relations and the role of labor unions and the government in a different way. But general inclusive purpose of industrial relations is efficiency, equity and balance of submission of voice. However, in reality, industrial relations can reflect various images depending on how labor-management accommodates these three elements (Acker, Marchington, Wilkinson & Dundon, 2005). One of the most general models for industrial relations of the enterprise or workplace unit is strategic choice model suggested by Kochan, Katz and McKersie (1986). This model explains that labor-management interact with each other at the institutional level and if any change to the external environment occur, a new strategic choice influence different roles and views of the relations (Muller-Jentsch, 2004). The strategic choice theory indicates that the institutional level can be divided into strategic level, collective bargaining level and workplace level (Kochan et al., 1986). The strategic choice model is one of the most crucial theories that explain why labor unions and users change their strategies. that institutional level can be divided into strategic level, collective bargaining level and workplace level (Kochan, Katz & McKersie, 1986). Multi-unionism develops this model into one with more complicated influence factors. It builds up multilayered relations such as the relations between the pre-existent and newly-formed unions, the relations between the pre-existent union and the management, and the relations

between the new-formed union and the management. The outcome of choices can be various based on how the core body with such changes would accept the institutional environmental change. Prior to multi-unionism, labor-management needed to choose one strategy for the other party with mutual external environment, whereas after the implement of multi-unionism, they need at least two or three strategies, and each strategic choice forms various frameworks of cooperation and opposition between either the unions or labor and management. Becoming the bargaining representative can cause conflicts between the unions or encourage cooperation from them, and depending on the each union's preference, the company develops different strategies with complicated aspects. Thus, institutional compulsion of unification of bargaining channel with complicated strategic choices by multi-unionism can show various effects depending on simple interaction of labor-management, sizes of the unions and nature of relationships with the unions.

### *Union Service*

The union also provides services, but it does not necessarily encourage participation. Pencavel (1971) noted that union services can be collective like bargaining representative, semi-collective like individual representative under a collective procedure or individual one like legal services. Union services may also be extended to the point where they encourage or provide opportunities for membership involvement. The presence of multiple unions in a workplace and the competition in the same category of membership might affect the provision of participation chances. Flood, Turner & Willman (1996) described competitive multi-unionism as having more than one union with the same category of union member, distinguishing it from having various recruitment domain unions that co-exist. They claimed that competitive multi-unionism could strengthen rivalry between unions to attract members, which would prompt the unions to examine and satisfy the needs of the workers and

to enrich membership services (Flood et al., 1996).

### *Industrial Relations Climate*

Katz, Kochan and Gobeille (1983) used the term ‘industrial relations climate’ to illustrate the quality of relations between the labor and management within the organization, such as norms, behaviors and relationships among the members. Dastmalchian (1986) indicated that it reflects diverse contextual elements of the organization, and these elements along with organizational structure and composition of the workforce influence the climate in return. The industrial relations climate can be cooperative or oppositional, and it will influence the purpose and engagement of labor and management and the organizational consequences (Deery et al. 1999). It can be used as an objective measurement tool not only to observe how labor and management adjust to the institutional alterations like the implementation of multi-unionism and any changes in the collective bargaining but also to evaluate how the consequences influence the relations. A number of preceding researches show that the industrial relations climate is closely associated with the pre-existent structures of organization and negotiation to work as a medium linked with the organizational outcome (Deery & Iversion, 2005). Therefore, the stability of the industrial relations which was behind the implementation of the collective bargaining channel unification system can be examined by measuring the industrial relations climate changes that the members of labor and management have perceived. In other words, if the collective bargaining channel unification system has been operated to stabilize the climate by reducing disputes between the unions and lessening excessive bargaining costs, the industrial relations climate would become more cooperative than before. However, establishment of multiple unions and competition between them within the individual company does not always create disputes nor does it promise unreciprocated cooperation. Bryson (2005) did

mention that when multiple unions worked together for single bargaining, it might have the same outcome as the singular union bargaining, therefore competition among unions may not affect the result. But according to the recent research done by Akkerman (2004), multiple unions cannot help but rely on each other to maximize mutual benefits of bargaining. But when they need the same members for their union and happen to confront each other, the size of each union may have a great deal of influence on the conflicts. Many researches have shown that spontaneity of minority union can be easily weakened by the majority union. That is, if two unions shares similar composition elements of characters, unification of bargaining channel may process differently causing different forms of conflicts between the unions or between labor-management

### **3. Method**

The statistics from the Ministry of Employment and Labor in South Korea, there were 1,445 cases of newly-formed multiple labor unions reported from the date of the enactment (July 1, 2011) to the end of December 2013. During the same period the number of workplaces with newly-formed multiple unions was 642. When the implementation was first enacted in 2011, it was predicted to have a significant increase in the number of workplaces with newly-formed multiple unions. But it has been actually decreasing as time goes by. At that time when the establishment of multiple unions was allowed in July 2011, the average number of newly-reported cases of multiple unions was 10.7 per day in July, followed by 3.4 in August, compared to the average number in 2013, which was 1.1 in November and 0.6 in December. Calculating all the workplaces which happened to have multiple unions due to merging or so before the enactment, the official numbers added up to the total of 915 in December 2013.

This study has interviewed 66 companies which have multiple labor unions. Industrial areas of these

sixty-six companies can be divided into four categories – public, clerical and financial, manufacturing and transportation based on the survey. The largest group among them is the public sector, which is 41.5%. According to the survey done in 2011, transportation industry had the largest number of multiple unions established, followed by public sector, manufacturing sector and sewage disposal and environmental service sector respectively. The number of workplaces in transportation sector from this survey, however, is ten, which is 15.4% of all.

<Table 1. Results of case study (Scales and Number of unions by sector)>

Sector	No. of workplaces	No. of membership capability			Total No. of unions		
		Less than 300	300-1,000	More than 1,000	2	3	More than 4
Public	26 (41.5%)	1	3	18	15	5	6
Manufacturing	20 (31%)	4	9	7	14	3	4
Transportation	10 (15.4%)	5	2	3	4	3	3
Clerical & financial	4 (6.2%)	0	0	4	3	1	0
Cleaning service	2 (0.3%)	1	1	0	1	1	0
Others	3 (0.3%)	0	0	2	1	1	0
Total	65 (100%)	19 (29.2%)	18 (27.7%)	34 (52%)	38 (58%)	14 (22%)	13 (20%)

When looked at the companies in terms of the size of workforce, approximately 52% of the multiple unions are mostly from the enterprises with more than 1,000 employees. When looked at the total number of unions at the workplace level, about 58% of the surveyed companies have two labor unions. The percentage of companies with more than four unions is still high, which is about 20%. According to the statistics from the Ministry of Employment and Labor in 2013, the number of workplaces with two unions was 696, followed by 165 companies with three unions, thirty-nine companies with more than four unions, and fifteen workplaces with more than five unions. The results show that most of the individual companies tend to have two labor unions at the workplace

level and that the enactment of multi-unionism has not caused any workplaces flooded with unions. Multiple unions in the public sector are likely to be found in the workplaces with more than 1,000 employees. About a half of them have two unions, and a significant number of these companies have more than four unions. On the other hand, the manufacturing sector seems to have multiple unions mostly in the medium size enterprises, that is ones with between 300 and 1,000 workers, whereas the transportation sector tends to have multiple unions mainly in the small size companies, that is ones with less than 300 workers, and more than a half of them have three or more unions at the workplace level.

Representatives from each company and labor union have been interviewed with structured interview questionnaires for this study. The questionnaires include the following items.

- 1) Circumstances in which multiple unions have been established
- 2) Changes in the number of members since the establishment
- 3) Presence of checks on and hindrances to the establishment from the company and/or the other unions
- 4) Types of collective bargaining
- 5) Changes in the industrial relations climate after the establishment

These questions have enabled us to identify a number of characteristics of workplaces with multiple unions in South Korea. This study aims to analyze different ways of establishing multiple labor unions and changes in industrial relations after the establishment.

## 4. Results

### *Type of organizing*

The survey indicates four main types of establishing multiple labor unions. The first type is by mergers and acquisitions (M & A). It happens when each of the labor union from the two companies keeps its own union after a merger or acquisition between them. The second type is by occupational positions, that is when multiple unions from different occupational positions are formed within the company. The third type is by newly forming unions, which is when a new union is organized with the workers who have not previously belonged to any union. The fourth type is by starting one from the pre-existent union. What it means is a new union is formed with the members who have seceded from the pre-existent union. Different characteristics can be found from each different type. Since the unions of the first type have already had their own members and settled with their own ideology and direction of activities, it seems easy to keep their own identity even after a merger or acquisition has occurred. Also the companies in this case often have their factories in different places, not many incidents happen to cause competition between the union at the actual site. However, sometimes, two companies may happen to work together at the same site or workplace after having merged, where some competitions between the unions to secure their members or to obtain collective bargaining rights when simplifying bargaining channel. The second type occurs when there are clearly distinct occupational positions within the company. For an example of an airline company, each labor union can be distinguishably organized for each position – for pilots, flight attendants or so. In such cases when unions formed for the different occupational positions, issues around their duties, terms of conditions of employment and wage level are completely distinct, therefore, each union would discuss separately with the company, competition among unions is unlikely to be intense. The third

type is when a new union, irrelevant to the exiting union, is organized. This often occurs when they have not yet joined any of the national level unions – in the case of South Korea, the Korean Confederation of Trade Unions or the Federation of Korean Trade Unions. Since the unions may target the same workers, some competition among unions may occur. However, competition among unions of the much different levels is often observed with little significance. The fourth type occurs when the members who have been dissatisfied with the pre-existent union’s activities, political tendency, relations with the company or so organize a new union. Since one is separated from the other, either competition or conflicts between them can be intense and severe.

The table below shows the results of distribution of the ways of organizing multiple unions. Among the total of sixty-five sample of workplaces, the number of cases of M & A is seventeen, the number of cases of organizing the unions by the occupational positions is also seventeen, the number of newly-formed cases is one, and the number of newly-separated cases is thirty.

<Table 2. Type of organizing Labor Unions>

	No. of workplaces	Sector						Workforce		
		Public	Manufac.	Transport.	Financ.	Cleaning service	Others	Less than 300	300-1000	More than 1,000
Separated	30 (46.1%)	5	12	10	1	1	1	9	10	12
Newly formed	1 (0.15%)	0	0	0	0	0	1	0	0	1
Occupational positions	17 (26.2%)	13	2	0	2	0	0	4	3	10
M & A	17 (26.2%)	8	6	0	1	1	1	2	3	12
Total	65 (100%)	26	20	10	4	2	3	15	16	34

It may be hard to say that results represent the relative weight of the whole cases. However, considering the fact that the rate of unionization has not increased dramatically, it may not be fully

wrong to state that the percentage of newly-formed cases is generally the lowest of all. When looked at the types of collective bargaining in the workplaces with multiple unions, the data from the Ministry of Employment and Labor in December 2013 showed that 836 workplaces – about 39.4% of all - took steps to unify bargaining channel to represent the multiple unions. The number of cases when one union was recognized as the bargaining representative because it was the only one among the other in that workplace who had applied for the bargaining was 215, about 25.7% of all. 59 workplaces, that is 7% of all, unified the channel voluntarily, 377 workplaces (45%) had their majority union who worked as the single bargaining channel. Only 0.02% (19 cases) had their joint bargaining delegation union. 166 workplace (20%) carried out fractional bargaining.

The biggest type of collective bargaining from the survey of this study is the majority representative system, which is about 47.6% (thirty-one cases). Among the majority representative system, the cases of a single majority union which represents the bargaining union are twenty-six (about 40% of all), whereas five cases (7.6%) are coalition majority. These cases are when the number of the members of either the pre-existent union or a newly-formed union is in a majority, the union either keeps or obtains one's position as bargaining representative. Among the cases that the newly-formed union holds a majority, six cases have been challenged by the minority union, which are mostly from the manufacturing sector. These are cases that the local chapters of the metal industrial unions which established enterprise unions have objected the process of establishing and deciding the bargaining representative union. Transportation sector has raised a question because the majority unions did not work together with the minority unions when unifying the single bargaining channel.

The number of companies which have processed fractional bargaining voluntarily is twenty-four, which is about 36.9%. The number of the cases of fractional bargaining is relatively high because the public sector, which is the majority of the sample of this survey, tends to maintain their own union when merged, and these companies with the tradition of fractional bargaining often find it unnecessary to have single bargaining channel. But despite M & A, the workers still have to face

some degree of discrepancies in their wages and duties. There are seven cases that have changed their bargaining strategy from fractional bargaining to majority representative bargaining. On the other hand, nine companies (13.8%) practice joint bargaining. These workplaces choose this bargaining either because most of them do not have the majority unions or because the organizational rates of two unions are fairly similar. There is one company whose joint bargaining has been ordered by the Labor Relations Committee.

When looked at the types of unifying the single bargaining channel in relation to the sector, both the public and manufacturing sector have a high rate of fractional bargaining through voluntary unifying, whereas the transportation sector mostly runs the majority representative bargaining system despite the large number of unions, which causes severe conflicts between the unions. When looked at the types of unifying the single bargaining channel in terms of the size of the workforce, the majority representative system can be found in any sizes of workforce. Yet, companies with more than 1,000 workers tend to choose fractional bargaining through voluntary unification, whereas companies with less than 1,000 employees tend to practice single majority representative system. But among the companies with between 300 and 1,000 workers, there are a fair number of fractional bargaining cases.

<Table 3. Type of unifying single bargaining channel>

Type of bargaining	Details	No. of work-place	Sector						Workforce		
			Public	Manufc.	Transpor.	Financ.	Cleaning service	Others	Less than 300	300 ~ 1000	More than 1000
Fractional bargaining		24	10	9	2	1	1	1	2	7	15
Joint bargaining		9	5	2	1	1	0	0	3	0	6
Majority representative	Single	26	10	6	6	2	1	1	8	8	10
	Coalition	5	1	2	1	0	0	1	0	2	3

	Total	<b>31</b> <b>(47.6%)</b>	<b>11</b>	<b>8</b>	<b>7</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>8</b>	<b>10</b>	<b>13</b>
Joint bargaining (ordered by the Labor Committee)		<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>

*The Change in Industrial relations*

The study examines what the members of the industrial relations feel about changes in the industrial relations climate before and after the implementation of the single bargaining system of multiple unions. The climate can be influenced by the members themselves and individual variables and such climate tend to have significant correlation with organizational performance (Deery & Iverson, 2005), which can explain the impact of the system of single bargaining channel to some degree. The results of the interview with the sample companies show variously depending on the response of the members of industrial relations themselves. The outcome is also various related to the unions, so it is simply put into either opposition or cooperation instead of dividing into detailed categories. It is classified as opposition if either of the two parties of the first labor union and the management has replied as opposition. When both of labor and management have chosen the mutual approval, cooperation or partnership, it is classified as cooperation. When analyzed the total results, the respondents tend to recognize that the climate have been a lot stabilized after having unified the single bargaining channel. The respondents from thirty workplaces (46.1%) have stated that they found the climate cooperative before the unification of bargaining channel, whereas the people from thirty-five companies (53.9%) found it oppositional. The number of workplaces whose climate has been cooperative since the unification of bargaining channel is fifty-one, which is 78.4% of all, whereas fourteen respondents (21.6%) answered oppositional. Although it is needed to examine internal causality more specifically, denotative results seem to acknowledge the stability of the industrial relations, which satisfies the purpose of the system.

To examine the outcome in more detail, it is divided into four categories according to each response to describe the climate before and after the unification of bargaining channel. The category that has a significant meaning might be the one with the industrial relations climate change from opposition to cooperation, whose number is twenty-four (36.9%), whereas the companies with cooperative climate before the unification tend to maintain cooperative relations. Yet, some have answered that the climate has changed negatively. Eleven workplaces (16.9%) with oppositional climate before the unification have not experienced many changes in the climate after the unification. The following is more detailed analysis of each category.

<Table 4. Changes in the industrial relations climate>

<b>Industrial relations climate</b>	<b>No. of workplaces</b>
Cooperation → Cooperation	27(41.5%)
Opposition → Cooperation	24(36.9%)
Opposition → Opposition	11(16.9%)
Cooperation → Opposition	3(4.6%)
<b>Total</b>	<b>65(100%)</b>

i) Continuation of the cooperative climate

Among the total of sixty-five sample of workplaces, twenty-seven workplaces (about 41.5%) experienced the cooperative climate in the past and have managed to sustain the positive climate after the unification of bargaining channel. The group of these companies does not have any significant features in terms of the types of collective bargaining or the circumstances of organizing multi-unions. The evaluation of the survey seems to deliver about three explanations for the maintenance of the cooperative climate. Firstly, the pre-existent majority union and the management have already built up the cooperative climate so that any minority unions have not been able to much influence its relations. The union with the majority number of the workers has

been playing a key role in the relations and practiced the leadership with a certain quality, so that the presence of the minority unions has not had much chance to influence on changing the relations climate. Secondly, the cooperative climate tends to be maintained when none of the unions has the majority number of the members, that is the size and the power of each union is similar and also when certain rules of competition among unions have been established. These unions generally value each other, either by organizing a collaborative bargaining committee or by acknowledging each fractional bargaining. They may also promise mutual respect and common action by agreeing memorandum of understanding. Thirdly, it is when the target member of each union is so different that they have less chance to confront each other. They can apply for the division of bargaining unit in terms of occupational position or so to practice fractional bargaining. Due to the exercise of fractional bargaining, there are fewer issues of violations of duty of fair representative and fewer conflicts occurred between the unions. Any disputes or any confrontational relationship with minority unions are generally not too severe to change the climate.

ii) Change from opposition to cooperation

There are several key characteristics among these companies which have pointed out the change in the climate from opposition to cooperation. When looked at the cases in terms of industrial sector, ten companies from the public sector and nine companies from the manufacturing sector have indicated the change. Most of these companies have more than 1,000 workers and a total of two labor unions in the workplace, use majority representative system to unify bargaining channel and have the multiple unions that were separated from the pre-existent unions.

The majority of the companies in the manufacturing sector are under the Korean Metal Worker's Union (KMWU) and most of them operate the same type of the system to unify bargaining channel.

Among the sample of companies, all but one have unions at the company level and have not joined any higher level unions yet. Especially in terms of unification of bargaining channel, they have actively used the multi-unionism system as an alternative strategy against the pre-existent union. Under the single bargaining channel system, they exercise fractional bargaining as a way of autonomous unification if the number of non-members of the higher level union is low, but if the number is high, they exercise majority representative bargaining. The company has been able to negotiate with non-higher-up-member (that is, those who are non-member of any higher level unions) unions in a short time, they at times use delaying tactics when working with the chapter of the KMWU. So both the management and the majority unions, which are non-higher-up-member unions, tend to find the relations climate cooperative, while the minority unions under the KMWU still find it oppositional.

On the other hand, the public sector generally exhibits diverse circumstances and aspects of multi-unionism. It has a mixture of events – such as M & A, divergent occupational positions and collision of different views – that triggered multi-unionism in the workplaces. In the course of forming multi-unions, the size of each labor union has become fairly similar, which weakens the power of the pre-existent unions and lessens their unilateral actions since their organizational capability has diminished and the relations with other unions have been complicated. Accompanied by these features typical competition among unions seems to ease conflicts between labor and management

iii) Continuation of the oppositional climate

Eleven workplaces out of the sample fall into this category, which is about 17%. Most of these companies had fairly antagonistic relations with the unions in the past and many of these pre-existent unions were under the Korean Confederation of Trade Unions. The implementation of multi-unionism has not been of much help to alter their status so that it has barely brought any significant

change in the industrial relations. The minority unions, in opposition to the line of the pre-existent unions, tend to build and maintain cooperative relations with the managements instead. The type of collective bargaining exercised in this group is mainly autonomous bargaining which has been performed almost entirely in the form of fractional bargaining. Only two companies from this group have applied the majority representative system to unify bargaining channel and only one of them keeps the representative system by coalition majority. In the case of the workplaces with the pre-existent unions under KMWU, some new unions have been organized since the implementation of multi-unionism. Despite the fact that this pattern is quite similar to the situations of any other workplaces with the chapters of KMWU, the reason why the oppositional relations have been continuously exhibited is either the number of the members of each union is of no much difference or they keep exercising fractional bargaining.

iv) Change from cooperation to opposition

Three companies (4.6%) have perceived change in the climate from cooperation to opposition. One of the most interesting features of these cases is that they all have more than four labor unions. The number of unions in some of these companies has dropped by two owing to the unity of the minority unions, which has resulted in markedly intense competition among unions. Due to the severe division, the management of each company has failed to produce any notable strategies for the competition among unions, and serious feuds within the multiple unions have weakened not only the bargaining power but also mobilizing power to call any strikes. Other various aspects – such as occurrence of minority unions that refuse to participate in unification of bargaining channel, discriminatory application of the collective bargaining agreements, exercising fractional bargaining as a consequence of the division of collective bargaining unit – have been exhibited. Although the number of the cases in this category is only three, which is too small to generalize about the outcome,

the significance of these cases is that it addresses some issues which may occur on account of multi-unionism such as a serious deterioration in industrial relations and stimulates discussion.

## **5. Conclusion**

### *Implication*

Compared to the previous one labor and one management relations, the industrial relations under the system of multi-unionism creates more complicated and multilayered relationships among the unions or between labor and management. Various tactics and strategies are practiced based on the interest of each party. Reminded of the main purpose of multi-unionism, which is efficiency, equity and balance of submission of voice, it should be carefully observed if the relationship between the unions is complementary or confrontational as it can contribute to the stability of the relations or easily damage it. Like the United States and Canada, South Korea does have unions at the industrial level, but general collective bargaining still occurs at the workplace level. As much as it is important to stabilize industrial relations through competition among unions in the individual company, it is equally crucial to find ways to reduce disputes occurred in the company between the unions through collective bargaining at the industrial level. One of the areas on which this study has focused is the industrial relations climate. The data show that the implementation of multi-unionism has been making gradual progress in the industrial relations in a more stable and cooperative way. However, it should be noted that it may be a phenomenon only on the surface.

A company that developed cooperative relations with the labor union in the past seems to retain the bargaining structure and atmosphere which does not appear to be easily influenced by the system of multi-unionism and single bargaining channel, and, as a result, it successfully sustains the positive

climate. Furthermore, the company seems competent enough to elaborate some strategies to ease disputes and conflicts that may occur on account of multi-unionism. By contrast, when a company that built up irreconcilable relations in former time has quite a number of labor unions, it seems insufficient to show that single bargaining system is much help to transmute the negative relations into more stable and interactive ones. After all, when there is no change in the size of the unions, cooperative relations sustain the positive climate, while oppositional relations maintain the negative climate. One of the most meaningful findings of this study seems the cases of those who were in oppositional relations but have come to experience some change in the relations climate since the implementation of multi-unionism. The active and practical use of the multi-unionism system by these companies in a certain industrial sector has played a role as alternative strategies against the pre-existent unions. As a result, the pre-existent unions without any adequate countermeasure strategies against the companies have been degraded to the minority unions, losing their authority over the right to strike and bargaining rights. What is not to be overlooked is that the quality of organizational capability and leadership of unions is a contributing factor which can either stabilize industrial relations or generate disputes.

#### *Limitation & Directions for policy makers*

There are some fundamental limitations in this study. Firstly, the interviewees may have encountered a limit of comprehension. They are the representatives of the majority or minority unions and the managements, yet their awareness of industrial relations and multi-unionism can markedly vary. Also not all respondents have been able to state their views on these matters in depth. Secondly, the interviewers may have faced discrepancies in interpretation. A considerable amount of data of this survey is from the written record of the interviews. Therefore, at times the interviewers' subjective

interpretation and judgement may have been made during the interviews and analyses. Despite these limitations, the significance of this study lies in the exploration of industrial relations which has become multifarious and convoluted due to multi-unionism and also in its potential to suggest various aspects to investigate for further studies, such as in the presence of multi-unionism what role would statutory regulations play, how and to what extent would they affect industrial relations or so. Further researches need to be conducted to draw some generalized results through empirical analysis of workplaces under multi-unionism in South Korea and also to identify variables which mediate and modulate the correlation between multi-unions and industrial relations. In regard to policy, it is required to create an environment to secure autonomous and democratic competition between labor unions and to establish reasonable standards and regulations in more detail to rule out any unjust exclusion from negotiations in the course of collective bargaining.

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