Trade unions as organisations have not been researched for long. J. Child, R. Loveridge and M. Warner were a few of the first to start approaching this subject in 1960s [2]. It was initially considered that due to the small number of staff, the aspects of human resources management are not as important; instead trade unions should concentrate mainly on goal setting issues. As the time went by, theoretical discussions often started highlighting administration issues, again leaving the management aspects behind. Rarely any attention got paid to the question of the changes needed in trade union management. In the last few years trade union merging and leadership dynamics have become more and more current topics [2]. In regards to the structure research, it was first important to decide whether analogue criteria (specialisation, centralisation, formalisation) should be used – just like in business or other organisation structure research. M. Warner’s empirical research proved the criteria can be analogue: research showed that trade unions have the same structure qualities as other organisations. For example, trade union administration structure at national level is similar to the administration structure at business organisations. Trade unions, similarly to other types of organisations, formalise employee relationships by setting work rules and using the code of ethics. Trade unions function to reach specific goals; duties and resources are being distributed with the help of formal behaviour rules and other mechanisms; the administration staff gets paid for their work; the division of labour and specialisation functions takes place; the action is being coordinated and the communication net is complex [1].

Currently trade union management is mostly based on findings from 1970s, but strategic management in regards to trade unions have not been researched. Discussions in relation to strategic planning in trade unions started to take place in 1980s. During this period M. Gardner admitted that trade union strategy is an action plan or a method to reach goals, in the meanwhile emphasising that there is little chance ‘trade union strategy is consciously and clearly set formulated,’ more likely, it is an unconscious accumulation of decisions on tactics and methods to reach goals that has gradually turned into consequent and regular plan and program realisation [3]. This opinion suggests that trade unions have not always had planned strategies. Yet, T. Hannigan defines trade union strategy as a planned strategy, as a policy, programs and projects that ensures the trade union’s direction of operation, taking its goals into account [4]. These definitions show trade union strategy as a relatively narrow process, somewhat linked to strategic planning. So far in the literature on trade union management only the concept of ‘strategic planning’ can be found, but the words ‘strategic management’ do not appear, suggesting that strategic issues are being researched only on the strategic planning level, and trade union researchers, unlike other non-governmental organisation researchers, have not yet approached to strategic management. There are not much research on strategic planning in trade unions, either however it has been researched by T. Fitzpatrick and V. Waldstein; S. Schurman and H. Stack, D. Weil; K. Stratton – Devine; T. Hannigan, J. Reshef and other theoreticians. Although at the end of the 20th century K. Stratton-Devine admitted that more attention should be paid to planning in trade unions and trade union leaders should predict how to react on external environment changes, therefore knowing the theory of planning, there is little research on strategic management. She stated that researchers too should draw much more attention to strategic planning in trade unions. At the end of the last century, there were to opposite opinions on trade union leaders’ capability to provide strategic planning. In favour of the first, Lewin and Gereluk believed that trade union leaders cannot or very rarely can think and act proactively, hence trade unions have limited strategic decision making possibilities, and trade unions can only react to external environment changes. However, the others, for example, Murray, Kochan and Reshef states that trade union leaders can and do act proactively, however the traditional trade union work methods are not suitable for the new external environment conditions, therefore, trade unions need to use strategic planning and look for other, new work methods [6]. However, D. Weil believed that trade union involvement in strategic planning is limited by their political character, although this must not be used as an excuse for not doing strategic planning [7].

In the recent years, literature reveals an opinion that lately several trade unions have begun to integrate strategic planning approaches and techniques from business management. By doing so, the trade unions have found it helps the adaptation process in a changing external environment. Since 1990 the number of international trade unions that use strategic planning has grown. However, on the national and field level, trade unions in the USA, the UK and Australia still do not use strategic planning sufficiently [8]. Nowadays, trade unions need strategic planning to maintain and
develop themselves. For years they only react on employers’ decisions, without taking care of those decisions’ impact on employees’ interests in the long term. Recently, the Communications Workers, the Auto Workers, and the Steelworkers have admitted the need for strategic planning and created strategic planning committees [5]. It can be concluded that the strategic concept in trade unions is necessary and becomes more and more important in time.

The author’s 2011 empirical research of Latvian trade union management shows that there are strategic management implication problems in Latvian trade unions: Latvian trade union leaders do not have comprehension and knowledge of strategic management questions. The formulated goals cannot be measured; they do not have specific time limits and units of measurement. Not all the members have information about the goals. The research approved specific issues in regards to leadership and inside communication.

The author believes that in today’s changing environmental conditions trade union management requires more than just strategic planning - they must provide strategic management too. It would help Latvian trade unions solve the existing management problems and ensure the prospects for sustainable development. In the proposed approach, trade union chairmen are responsible for strategic management in trade unions, however, the needed administration support should be provided by the council, the strategy development team, the staff and the chairmen. This model is intended to draw attention to internal and external environmental studies, as well as the formulation of values and external vision. The model offers the possibility to return to previous strategic management steps to evaluate the process of the strategy implementation. The model has been theoretically based on such theoreticians’ opinions as: Daft, 2008; Nirenberg, 2004; Hatch, 1997; Roberto, 2004; Nutt, Wilson, 2010; Steiss 2005; Drucker 1999; Weil, 1994, Hannigan, 1998; Holley, Jenning, Wolter, 2011 and others.

As shown in the picture, the author-created model consists of three main interconnected strategic management levels: the Preparation level during which the decision is made about the need for a strategy, strategy development teams are created and provided with an understanding of strategic management. During the third step not only the strategy development team members but also the leaders are learning. At this point the leaders do not participate at the strategy development but could do so in the future. A strategic management learning program is created in order to give understanding and knowledge of strategic management theories, to develop strategic thinking abilities and to create motivation for the strategy development. At the beginning of the Planning level, trade union values, mission, internal and external vision, goals are formulated; internal and external environmental aspects are analysed. The external vision concentrates on how to improve the organisation’s external environment, what the members’ benefits will be if the union reaches its main goals. Based on this approach, the external vision should reflect the potential positive change, for example, in the legislation, social or economic environment. At the end of the Planning level specific tasks are set to help reaching the goals and the main goal reaching forms are planned. The information about the decision is forwarded to the council. If it has serious objections, the strategy development team makes the necessary changes together with the council. The trade union council or the board makes the final decision about the strategic plan, as stated in the articles of association. Strategy implementation and evaluation level: the strategy is being implemented and evaluated. During the implementation process a lot of attention needs to be paid to a member activity empowering leadership style and effective communication channels. The action is taken to measure

Pic. 1. Trade Union Strategic Management Model
Source: Author-created
and evaluate the progress of the strategy implementation. Trade union chairmen state the strategy implementation criteria, for example, member involvement in trade union activities, the dynamics of the number of members, social dialogue results, member loyalty to the trade union and other criteria that reflects the strategy implementation progress. The criteria is analysed by using suitable methods; for example, by analysing social dialogue results at the business level, the number of collective agreements and their quality can be measured. On the basis of the strategy evaluation results, the strategy can be improved or changed.

Conclusions:

Literature of trade union management uses the term ‘strategic planning’ and analyses the theoretical aspects of strategic planning, but does not analyse strategic management. There is an opinion in the theoretical literature sources of trade union management that in the recent years several trade unions have started integrating business-used strategic methods and techniques in their work. By using these methods, the unions have discovered that they help them adapt in a changing external environment. Latvian union chairmen need to improve the management of their organisations by creating an individual strategic management model in each trade union, using the approach described in the article.

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