The Elements for Employee Voice of Non-Union Employee Representation in Malaysian Manufacturing Sector

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Abstract: Voice of employee rights are important to make sure that their suggestions, opinions, concerns and ideas are heard. This can improve the employees’ productivity and avoid any discrimination at the workplace. Employee voice representatives for non-union employees is also essential for fostering a positive work environment, improving communication and addressing employee concerns regarding issues at workplace despite there absence of formal labour union in the organizations. Non-union employee representation (NER) acts as intermediaries between the workforce of non-union and the organization’s leadership. Thus, the purpose of the study is to explore the elements need for the framework of employee voice of NER in Malaysian manufacturing sector. Thematic analysis is used for the data analysis to identify these elements for the framework to give direction for the better employee engagement including voice at workplace. The approach of smart partnership by having open communication, joint collaboration and good networking are the key elements of this study to ensure that the relations of NER and management can give benefits for the organization especially employees. The findings suggest some interventions should be taken especially from multi stakeholders, governments, industry and institutes to give awareness and understanding related to trade union and worker’s rights of voice at workplace.

Keywords: Employee Voice; Non-Union Employee Representation; Trade Union; Organizational Behavior; Workplace Advocacy.

1. Introduction

The early history of employee voice concept and its implications started by Hirschman (1970) in various fields including economics, sociology and organizational behavior. The idea of Hirschman was applied by Farrell (1983) aimed to focus the employee voice in relation to the job dissatisfaction while Freeman and Medoff (1984) introduced the role of union employees in industrial relations. Before World War I, many companies in America not only did not have any voice option but also been rejected. Then, the forms of employee voice involved individual voice, small-scale collective voice, employee representation plans (ERPs) and independent labor unions existed at that time. The main problems that create conflicts between employer and employee are wages or salaries, flexible working hours, conditions of work and job security protection from the perspective of trade union. The issues can be improved through the voice of a trade union movement (Abd Razak, 2020). It is one of the voice channels that have been applied in the organizations which give opportunity for individuals in expressing their issues or opinion to be heard. Open dialogue and information sharing can be used among employees to share their tacit knowledge with each other and management in ensuring that all perspectives are considered when making decisions for organizational development (Puthe, 2018). The study of Awang et al. (2016) also suggested that the importance of encouraging open discussions is to improve understanding especially Malaysians as they are from diverse ethnicities and have religious views. Soft skills such as communication at workplace are required in every type of workplace setting (Salleh et al., 2017). Employee voice from the view of human resource development is also a crucial aspect to improve organizational
performance especially in training and practices. Salleh and Sulaiman (2016) indicated that organizational development process can be improved if there is understanding of competencies that involves skills and knowledge of the organization objectives. Nowadays, the overview trend of trade union and collective bargaining toward workers’ voice showed slightly decline in most countries such as United Kingdom (UK), Ireland, United States of America (USA) and Australia and therefore there is interest in non-union presence (Schnabel, 2020). The percentage of trade union members among UK employees for all sectors is 23.1% in 2021 compared to 2020 which is 23.7% (Department for Business, Energy & Industrial Strategy, 2022). Majority of labor laws covers union rights or issues. All employees deserve a voice in the workplace including non-union employees. Non-union employees on the other hand form a large group of workers in the USA and are entitled to the same workplace protections as their unionized counterparts. An employee who is not a member of a labor union is referred to as a non-union employee. Non-union employees are also protected under the National Labor Relations Act (NLRA). The form of influence when focusing on non-union voice encompasses numerous efforts that have been led by management in direct and indirect forms includes the channels of non-union employee representation (NER) (Bryson et al., 2013). NER can be defined as the participation of employees in decision-making for non-union employee voice within firms through representative agencies (Donghery et al., 2012). The role of NER is important in many West European countries such as USA, Canada, Australia, UK and other countries. The findings from Charlwood and Terry (2007) shows that more than 80 percent of workplaces have no form of representative voice in the UK. Workplaces with representation are more efficient that gives benefits for both employers and employees compared to the workplaces without representation. One of the role of NER is improving the communication flow between employees and managers with various forms of voice (Dundon et al., 2004). Leaders especially need to have the courage to address the issues in a way that is appropriate. They can be role model not only in listening but also proactively raised issues from employee’s feedback. The concept of employee voice and NER are not clear as there are very limited studies on this topic especially in Malaysia compared to other developed western countries. The issues have been little widespread from the understanding of employees and management. Furthermore, the research of non-union voice is seriously neglected compared to the research on union (Dundon & Gollan, 2007). One challenge is that there are few studies of non-union voice that directly inquire about employee’s opinion in terms depth, level or influence (Dundon et al., 2005). According to the study, non-union voice might be perceived as optimistic in nature as and therefore less extensive than union voice because it is lack independent from management. The study of Che Rose et al. (2011) conclude that employers do not show positive view toward unions from the majority of non-union employees. Most of the organizations are giving up employee unions to accept the notion of NER and hence this is a topic that is very significant and relevant issues today. At all levels of an organization, effective employee voice is critical in attaining productivity and sustaining great working relationships among all employees either union or non-union employees. It is important to form non-union employee representation in Malaysia to have the right in voicing out their issues to the management since union employee representation have their own channel through their associations. Thus, the main goal of this paper is to explore and measure the perceptions of employees and management on new concepts and involvement of NER within the manufacturing sector in Malaysia. The research will examine the relations between employee and management in Malaysia manufacturing sector especially the voice towards NER. This paper also aims to develop new framework of employee voice for NER in the Malaysia manufacturing sector. The structure of framework should be introduced to produce better analysis and future prospects for employee voice in heading towards better sustainable development growth.

The variety views of employee voice have contributed to the extensive literature that promotes representative participation (Dundon et al., 2004). The structure and form of employee representation in the Asia Pacific are not as developed as in Europe based on the past history, different cultures and practices. The study by Alas and Edwards (2011) showed that institutional environment and cultural background both have an impact on how people in Asia and Europe view the society, organizations and work differently. The right of an employee to seek individual in representing them for the purpose of negotiating with management on common issues faced by employees refer to the employee representation. For example, the benefit of employee representation can enable both parties either employers or employees to interact, discuss and negotiate with each other.
Representatives should be clear about their roles in assuring that worker’s opinion remained heard by management on suggestions and not only in decision making. Generic skills such as communication, leadership, critical thinking and problem solving can also help in improving skills as employee representatives. According to Salleh et al. (2016), these generic skills can be considered as factor to develop the self-confidence. Some studies also indicate that if employees do not have exposure in collective voice mechanisms, then they are less likely to voice out about workplace issues. Based on the survey of Chartered Institute of Personnel and Development 2022 (CIPD) on Good Work Index indicated that majority of the employees have experience that the employee representatives were good at listening to their concerns, expressing employee opinions to the management and keeping employees aware of management discussions and decisions. Voice and representation play a central role in the field of employment relations. It ensures that workers have a say at the workplace and that their voices are being heard by their employers. Employees can voice their views and thoughts freely by the presence of representatives mostly through non-union representation. NER was included in the employee representation plans (ERPs) for worker voice from the ideas of USA and Canadian in resolving grievances and making suggestions (Patmore, 2013). The topic of NER and non-union voice have become interest by some researchers because of the declining trend in trade union (Dobbins & Dundon, 2014). Non-union voice can be thru direct such as employer-led team briefings and problem-solving groups or thru representation that consists of staff associations, work councils, non-union partnership, joint consultative committee (JCC), health and safety committees, quality and productivity groups and employee board representation. The crucial element of the partnership working is the relationship between management and employee representatives (Johnstone et al., 2010). The case study by Dietz et al. (2005) also highlighted that working effectively can be existed thru non-union partnership. Generally, NER bodies are defined as the act of employees in the agency which represents other employees that relates with management issues at the workplace including employee voice (Taras & Kaufman, 2006). The authors concluded that the future path of NER is uncertain due to variety different dimensions’ concept (forms, functions, shapes and sizes) of NER from the employer’s views. Similarly, Jirjahn and Smith (2018) defined NER as the participation of employee in decision making through representative in the organizations. Gollan and Lewin (2013) give the overview of main issues related to non-union employee representation in Industrial Relations. The main issues in North America about NER are whether the voice of union and non-union forms as alternative or complements for employees in decision making and is NER enhance or reduce the demand of employee in conventional union representation? The findings suggested to imply the NER as conflicting substitution and complementing forces to unionization at work as most of the union members desire to be non-union. Union and non-union voice systems in Canada may be utilized as alternatives to each other despite that they operate under completely separate legal frameworks (Taras, 2006). However, the study of Campolieti et al. (2013) showed that the role of NER forms of voice in Canada and USA as a substitute and not as complement for unionized workers. Joint Labor-Management Committee (JLMC) and the association of voice-oriented employees under NER mechanisms in Japan are viewed as effective substitutes to the enterprise unions in encouraging employee voice among workers (Tsuru & Morishima, 1999). The systems of NER voice may be complement, substitute or add value to the trade union representation structures and also as the platforms for employee engagement. Also, the development system of NER and the goals of trade unions have been planned to be balanced based on LeRoy’s findings.

In some instances, NER forms in Asia are less common and weak than unions itself (Markey, 2006). This can be seen especially in the context discussion toward employee voice and communication. The objective of research by Che Rose et al. (2010) is to study the challenges of trade unionism in Malaysia by analyzing the view of employees from unionized companies. Most of the non-union employees have a perception that their unions are not effective which may cause employee worries about the potential of representatives to take care of the workplace problems. From the findings, it showed that there is lack of knowledge about trade unions among employees. Survey conducted by Workplace Employment Relation Study (WERS) in 2011 of both union and non-union members to identify who they believe better represents them at the workplace especially based on work issues. The common issues that have been faced by employees are salaries, complaint related to the work and disciplinary matters. Surprisingly, only some of union members believed that their union representatives or
leaders were effective and capable in representing them. This concludes that even trade union members are uncertain about their representatives’ efficacy. Additionally, the findings from New Zealand Worker Representation and Participation Survey suggested that the channels of non-union voice within NER filled the gap in employee voice due to the fall in union membership. The voice channels are highly associated with how New Zealand employees feel they can influence decisions at work. Non-union collective agreement (NUCA) have been discussed in the study by Bray et al. (2020) where it focused on four key subjects and one of the subjects is employee representation. Due to the lack of Fair Work Act to specify the form of employee representation in collective bargaining, the parties involved must settle the issue. The role of representative bodies that have been managed by management are for consultation and communication instead of as bargaining or negotiating agents have been suggested by some studies (Gollan & Campling, 1999). In Australia and other developed countries, the collective bargaining between trade unions and employers has been considered as the suitable mechanism in determining salaries and working conditions. The study also explored the aspects of why NUCA is usually ignored. One of the aspects is NUCA was only briefly explained in the reform programmes. The obscurity of NUCA after the implementation of Fair Work Act because of combination with union agreement into single stream. Furthermore, trade unions and employers thought NUCA is operating well as it is part of the Fair Work Act and thus there is no need to discuss it in general. Industrial Relations Act 1967 (Act 177) introduced to promote and maintain industrial harmony and to provide the rights especially for the employee and employers. Besides, the act applied to all employees in Malaysia including union and non-union employees. The customary procedure in resolving conflicts among non-union employees is by approaching their employer or supervisor directly as interactions of non-unionized establishments. The complaint or issues can also be made by an employee to the Ministry of Human Resources (MoHR), who will then look into it.

2. Methodology

The suitable method of research design that will be used in this study is basic interpretive qualitative study (Merriam, 2002). Basic interpretive qualitative study is the simplest and common approach of qualitative study as it describes and attempts in interpreting experience or perspectives related to the area because the researcher wants to explore the perceptions of employees related to the employee voice. Thru this study, the employee voices, suggestions and decision-making process are important that can give key findings in designing new framework of employee voice of NER in the Malaysia manufacturing sector to make sure that the research objectives achieved. The target population of this study is the representative of Malaysia manufacturing sector that have been registered under Federation of Malaysian Manufacturers (FMM). The sample for this study was chosen from the target population. The researcher also includes the organizations representatives from Malaysian Employers Federation (MEF), Malaysian Trades Union Congress (MTUC), Union Network International-Malaysia Labour Centre (UNI-MLC) and the Machinery and Equipment Manufacturers Association of Malaysia (MEMA). The sample of this study focuses on industry expert that will be selected thru purposive and snowball sampling based on their experience and insights on this area to obtain descriptive data that is thick, rich and comprehensive for the research findings. Interview which is one of the qualitative research techniques will be used as research instrument in collecting the data for this study. Interview is a primary source of data in both qualitative research and in case studies (Myers & Newman, 2007). Similar study of employee voice and communication by Yee et al. (2018) and Prouska et al. (2021) applied semi-structured interviews to design a framework of employee voice. Therefore, this research also applied semi-structured interviews to allow more time for participants to explain their answers by focusing on employee voice of non-union employee representation in the sector of Malaysia manufacturing. The interview protocol used in this study has been modified to reflect the specific context of Malaysia manufacturing sector that can create the discussion between interviewer and respondent. There are few sections that will be involved throughout the interview session with respondents. Semi-structured interview will be conducted thru the interview session as there is a need for improvisation even if the researcher may have prepared some questions in advance (Myers & Newman, 2007). Probing questions included in the interview protocol as a guide to encourage respondents to elaborate answers that will give more depth-understanding related with their experiences and perspectives. In this study, thematic analysis will be applied in analyzing the transcribed data from the interview process by seven interviewees related to the employee voice of NER. The analysis usually considers large of data and groups them based on
the similarities or called as themes. There are few phases of thematic analysis. One of the phases in the thematic analysis is generating initial coding. It is the process of assigning labels segmenting and labeling text to form descriptions and broad themes in the data. The researcher will read through the data and identify the phrases or text segment that seem to be related to the research question. These phrases or text segment will then be labelled as codes and the codes should be clear and concise. If the themes were modifying, there will be interpretations changed. The researcher will examine the codes for overlap or redundancy and then collapse these codes into broader themes. Validity and reliability are important considerations in qualitative research methods like thematic analysis to evaluate the quality of research for this study. Based on the study of Salleh et al. (2023), any research instrument needs to simultaneously be valid and reliable. Validity in qualitative research refers to the accuracy and trustworthiness of the findings while reliability refers to the stability and reproducibility of the findings (Golafshani, 2003).

3. Results and Findings

Thematic Analysis Process

Data Filtering: Since the interview session took one to two hours, therefore the average transcription produced for this study contained more than 20 pages each. However, there is some data that is less relevant to this study directly and the process of filtering the data is needed to obtain more focused data.

Data Patterns: After the data have been screening, the process of obtaining word patterns and frequency is done based on the transcription by using Wordle and Word Count as shown in Figure 3.1. The figure indicated that the words related to the role of organization (such as management, union, representatives, NER and training), collaboration approach (such as partnership, communication, engagement and understanding) and policy (law, act and regulation) are prevalent. Moreover, words such as rights, minister, intervention and leaders also appear in the world map, which indicated the important role of right initiatives with contextual relevance in drawing attention to the stakeholders. The frequency of the top 10 words was also identified based on the number of times these words appeared and the top five words frequently used by the respondents involved union, employees, issues, voice and employers shown in Table 3.1.

Figure 3.1 Wordle Pattern Results for Research Objective
Table 3.1 Word Frequency Results for Research Objective

<table>
<thead>
<tr>
<th>Item</th>
<th>Frequency</th>
</tr>
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<tbody>
<tr>
<td>Union</td>
<td>166</td>
</tr>
<tr>
<td>Employees</td>
<td>92</td>
</tr>
<tr>
<td>Issues</td>
<td>70</td>
</tr>
<tr>
<td>Voice</td>
<td>50</td>
</tr>
<tr>
<td>Employers</td>
<td>43</td>
</tr>
<tr>
<td>Company</td>
<td>42</td>
</tr>
<tr>
<td>Malaysia</td>
<td>41</td>
</tr>
<tr>
<td>Management</td>
<td>38</td>
</tr>
<tr>
<td>Partnership</td>
<td>31</td>
</tr>
<tr>
<td>Benefits</td>
<td>26</td>
</tr>
<tr>
<td>Need</td>
<td>25</td>
</tr>
</tbody>
</table>

The open coding process from a combination of interview was done five times to get an initial idea or view in developing the code. Figure 3.2 shows the results of open coding, axial coding and selective coding. There are 27 codes that have been generated in the open coding process, 19 codes in the axial coding and 12 codes thru selective coding that give meaning to the employee voice of non-union employee representation in the Malaysian manufacturing sector.

Figure 3.2 Results of Open Coding, Axial Coding and Selective Coding

Framework of Employee Voice of NER

The elements that have been identified for the framework of employee voice of NER are smart partnership, networking, collaboration and communication shown in Figure 3.3. The elements of the framework emphasized
that by having these relations engagement can lead to the sustainability of the employee voice among employees at workplace.

**Figure 3.3 Framework of Employee Voice of NER**

Table 3.2 shows that the discussion for the concept of employee voice of NER that elaborate the role of organizations or associations that relate with the organizational behavior of manufacturing sector, the trade union landscape in Malaysia, the formation of NER and the smart partnership.

**Table 3.2 Concept of employee voice of non-union employee representation (NER)**

<table>
<thead>
<tr>
<th>Trade union landscape</th>
<th>1. Labor relations that involve the interactions and negotiations between employers, employees and labor union include non-union employees to establish fair employment environment, resolve disputes and ensure worker’s rights are protected.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2. Ministry of Human Resource (MoHR) plays a crucial role in regulating and overseeing labor relations such as policy formulation, labor laws and regulation, worker welfare and protection, labour market analysis and so on.</td>
</tr>
<tr>
<td></td>
<td>3. Involvement of industries for employee representation in manufacturing sector to address labor-related concerns, negotiate agreements and participate in decision-making processes.</td>
</tr>
<tr>
<td>Formation of NER</td>
<td>1. Form and establish bodies like Joint Consultative Committee (JCC) to facilitate formal discussions between management and employees. These committees provide a platform for addressing workplace issues, sharing information and making decisions collaboratively.</td>
</tr>
</tbody>
</table>
2. Representatives from both management and employees can be selected through a democratic process such as voting to ensure that the interests of both parties are well-presented.

3. The representation should be in formal way to ensure that it receives the necessary attention and resources. This might involve creating guidelines or policies that outline the role and functions of the representation bodies.

4. Legal and ethical considerations to ensure that the rights of non-union employees are protected for the applicable laws and regulations.

<table>
<thead>
<tr>
<th>Role of organization</th>
<th>1. Focus on organizational development that involves initiatives and strategies aimed at improving the overall effectiveness, efficiency and well-being of an organization.</th>
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<tbody>
<tr>
<td></td>
<td>2. Manage relationship between management, employers and employees by resolving conflicts and addressing concerns to maintain a harmonious work environment.</td>
</tr>
<tr>
<td></td>
<td>3. Cooperation both internally and externally is essential for an organization’s success. This involves collaboration with different stakeholders.</td>
</tr>
<tr>
<td></td>
<td>4. Organizations need to emphasize and understanding the fundamental of law that relates to the labor laws, regulations and employment standard.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Partnership</th>
<th>1. Enhanced communication and collaboration among different stakeholders in sharing information and joint problem-solving.</th>
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<tr>
<td></td>
<td>2. Collaboration between industry and educational institutes such as universities that give advantages such as skill development, technological advancements and others.</td>
</tr>
<tr>
<td></td>
<td>3. Mutual benefits can be built by having smart partnership to gain resource sharing, long-term relationships and win-win outcomes.</td>
</tr>
</tbody>
</table>

4. **Conclusion and Recommendation**

This paper explored the key elements of the framework for employee voice of NER in the Malaysian manufacturing sector. The outcome of the study will contribute to the existing knowledge of organizational behavior in voice by providing the perspectives and opinion from industrial expert on employee voice of NER. The findings of this study will directly benefit the representation of non-union employees and employees itself who is not member of unions especially in Malaysia manufacturing industry to voice out their issues or concerns by using the new framework that can influence to the requirement of the Industrial Relations Act 1967. Hence, the performance of employee and organizations will improve as the employee relations with management increased (Syahirah et al., 2015). There are few challenges in ensuring that the voice is heard especially among NER from the perspectives the respondents. One of the challenges are communication barrier
that can lead to the misunderstandings and gaps in information among NER especially if the communication takes diverse linguistic backgrounds. Besides, the lack of awareness about the role and importance of NER can result in low engagement and participation of employees to voice out their issues. Limitations of legal protections and rights for NER affecting their willingness and they feel uncertain to express their concerns. Addressing these challenges requires a combination of communication, education, collaboration, partnership and commitment to create an inclusive and supportive environment for NER. This study emphasized that smart partnership involves few strategies such as open communication, collaboration and good networking between NER and management. The approach can create a harmonious and productive working environment that benefits both employees and the organization toward the country’s economy development (Abd Rahman, 2022; Ab Rahman & Jusoh, 2023). Both parties can have the opportunity to share their viewpoints, concerns or suggestions such as through regular meetings. This not only make they feel motivated at workplace but also can enhance the relationship between employees and employers (Puteh et al., 2011). Therefore, based on the challenges related to this area, some suggestions and recommendations in improving the employee voice of NER have been recommended. One of the recommendations is the curriculum development by universities that give exposure of student about labour laws and union organizing to help the students understand and prepare for the workforce and empower them to advocate for their own rights. The role of government is needed in developing trainings or activities by collaborating with organizations aimed to develop leadership skills among employee representatives (Syahirah et al., 2018). Similarly, Sulaiman and Salleh (2016) indicated that these efforts align with the broader national development goals for enhancing the capabilities of workforce through education and trainings especially in the Technical and Vocational Education and Training (TVET) industry sector. Thus, there will be increasing globalization that attract and retain the employees if the company provide better salaries, working condition and quality of life (Puteh et al., 2012). Besides, governments can improve the rights of employees by enacting and enforcing labor laws that protect employees from exploitation. The existing laws should be reviewed to ensure that the laws are effective. MoHR is responsible for enforcing labor laws in Malaysia. They can improve the employee rights by aligning Malaysian labor laws with the conventions of the International Labour Organization (ILO). By implementing thoughtful solutions, organizations can overcome these challenges and create stronger platform for effective employee voice.

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5. References


