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Union Strategy in the Indonesian and Malaysian Postal Industries

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This article explores the implementation of Gahan's (1998) model on union strategy which consists of union aims, union methods, union tactics, and level of decision-making. Empirical data are provided from a qualitative analysis in the Indonesian and Malaysian postal industries. Research findings reveal that consultancy unionism is playing important roles in explaining the relationships among unions, workers, and employers in Malaysia, while partnership unionism best describing the union in Indonesia. The pattern of consultancy unionism strategy emphasise more on servicing and limited partnership with employers. The stronger organising solidarity from their members may improve their partnership in the interest of union survival facing tough competition in the postal business.

INTRODUCTION

This paper attempts to evaluate the current state of development of union movements in Indonesia and Malaysia, primarily the strategies that are adopted, since they are critical to the achievement of members' needs. The postal service is an important public service industry that employs a large number of workers and has a high level of union memberships.

In order to evaluate the strategies pursued by the unions, we developed the work of Gahan (1998) to describe components of strategies adopted by unions, and to examine the relationships among unions, workers, and employers, and the implications to the interest of the unions. The analysis further employs Boxall and Haynes' (1997) framework to assess dominant strategy pattern of the unions.

The paper begins with a review of literatures on union strategies. The next part explains the results from the research conducted in Indonesia and Malaysia. A qualitative case study approach (Kelly, 1999; Yin, 2003; Hartley, 2004) was used to study union strategy at two postal companies in Indonesia and Malaysia. The study is based on interviews and observations with unions and managements representatives, accompanied by documentary studies.

THE STUDY OF UNION STRATEGY

Strategy is fundamental to the organisation to preserve its existence, while adapting to its environment. The appropriate strategy chosen by the organisation will improve organisation performance with benefits such as to make clear and focus on the vision and objective of the organisation, and to understand the environment (Wheelen and Hunger, 2004: 4). In non-profit organisations, the use of strategy will ensure stakeholder satisfaction, growth in participation, and better financial performance (Courtney, 2002: 144-145). The result of various research (Fiorito, Jarley and Delaney, 1995; Gahan and Bell, 1999; Bronfenbrenner, 1997) confirm that union strategy variables are among the most important determinants of union success.

There are limited studies that discuss union strategy in detail. Lange, Ross, and Vanicelli (1982) identify that unions provide material, purposive, identity, and sociability goods. Deery (1989: 76) suggests the goals of unions as direct services, improved conditions of employment, organisational security and political objectives. Gahan (2002: 292) further proposes to classify those goals into wage, employment, organisational, and political goals.

Kochan, McKersie, and Katz (1986) and Boreham and Hall (1994: 314) recognise the level of policy formulation and operation in the industrial relations arena: the strategic, corporate, or national level; the functional or business level; and the workplace level. In terms of Quinlan and Lever-Tracy's (1988) model, the strategy of union is created between centralised and decentralised modes of bargaining.

Boxall and Haynes (1997) examine the effectiveness of union strategy in relation to workers and employers. They reveal that in neo-liberal environment, when the government support is diminishing, classic unionism that combines solid organising with servicing, and implements less co-operations to employers, are more effective compared to the other patterns, namely paper tiger, consultancy, and partnership unionism. Relying on servicing methods and neglecting members' participation will threaten union effectiveness.

The empirical studies in developing countries usually examine particular application of union tactics. The organising tactics are employed in Bangladesh (Rock, 2001), Thailand (Brown, 2001), and Zambia and Mali (Kester and Sidibe, 1997), whereas Southern African countries and India practice workplace collective bargaining (Madhuku, 2006; Teitelbaum, 2006), and workplace social movement unionism is adopted in South Africa (Hirschsohn, 2007).

Gardner (1989) is among the pioneer to discuss union strategy comprehensively. She offers a model (p. 56) to analyse the union strategy that comprises eight elements: the arena of union action: industrial or political; the negotiation level: centralised or decentralised; the involvement of members and leaders in policy formulation: concentrated or diffused; the methods for job regulation: autonomous, bilateral, arbitration, or political; the range of industrial tactics: narrow to broad; the relationship to other unions: isolated/integrated or conflictual/ cooperative; the relative position of union: follower or leader; and union values: leadership oriented,

united action, or member action. The union may adopt a combination of decisions from each element. For example, a union may adopt a centralised collective bargaining supported with a number of tactical activities, while developing a link with other unions and political parties.

Gahan (1998) provides a simple but more systematic and thorough framework of union strategy construct, which consists of union goals, union methods, union tactics, and the level at which strategy is developed. Union goals may determine the selection of other strategy components. The unions are pursuing their objectives using methods that are formulated through organisational hierarchy. Union tactics, recognised as union activities, are then developed to impose the chosen method. Therefore, there are four generic strategies: unilateral regulation, collective bargaining, arbitration, and political action. Nevertheless, union may pursue a mix of strategy, while dominant pattern of strategy will be identified during a certain period. Gahan (1998: 26) argues that his general model has incorporated all dimensions of union strategy based on theoretical and empirical reasons, thus removing the ambiguity found in the other models.

The applicability of Gahan's framework is demonstrated in the following examples. It is appropriate to classify the arenas where the strategy is applied and the methods for job regulation from Gardner (1989: 54), or the political and economic paradigm of Murray and Reshef (1988: 616-617) as the union methods. In the USA, Fiorito et al.'s (1995) innovative strategy (1995), Bronfenbrenner's (1997) rank-and-file intensive strategy (p. 211), and the use of information and computer technology in the UK and USA (Fiorito, Jarley and Delaney, 2002; Diamond and Freeman, 2002) can be viewed as the classified as union tactics. Likewise, industrial action tactics used in Australia and India (Gardner, 1989: 54; Cahill, 2001: 169), partnerships or employee participation strategies in the UK (Heery, 2002), Asia (Erickson, Kuruvilla, Ofreneo and Ortiz, 2003; Verma, Kochan and Lansbury, 1995), and New Zealand (Boxall and Haynes, 1997: 576), and social movement unionism (Nissen, 2003) are the elaboration of union tactics.

Two recent studies offer a closed system model to explain the complexity of union behaviour. Both models introduce additional variables and linkage among dimensions, and examine their model on Australian union practices. Bramble (2001) improves the Gardner (1989) model by adopting four strategy dimensions: a) bargaining strategy method: arbitration, mobilisational, corporatist, or activist; b) external relations with environment; c) internal relations; and d) staffing practices from recruitment to retirement. Jerrard (2003) offers a model that covers all dimensions of the previous ones. The process of strategy-making relates between environment and IR parties and internal factors of union tradition, leadership, internal processes, and union goals.

Considering their respective strength and weakness, we regard the model of Gahan as the simplest but sufficient model for empirical analysis. However, we have made some adjustments to the model, namely excluded irrelevant variables to the case

study setting, such as the unilateral regulation strategy; and developed additional indicators, including union characteristics.

RESEARCH VARIABLES

This research was based on the theoretical framework provided by Gahan (1998) to investigate union strategy, which consist of the dimensions: goals, methods, tactics, and levels of strategy-making. The indicators were extracted from the literatures, and translated into a questionnaire. The first set of variables – union goals – asks the respondent to indicate the importance of each type of goal: (1) economic goals (wages and benefits); (2) employment goals (employment security, working conditions, productivity); (3) organisation goals regarding union empowerment and increasing membership and involvement; and (4) political goals to influence on company and government policy making.

The second set of variables identifies which strategy method has been selected, whether collective bargaining, arbitration, or political actions.

The third set of variables consists of the respondent's strategy tactics, which comprises traditional, organising, services, and social movement tactics. The traditional tactics assess the use of general meetings and industrial actions. The organising tactics measure how the union develops organising culture through: (1) recruitment activities; (2) strong commitment; (3) participation; (4) new issues such as quality in union campaigns; (5) innovative tactics (survey, training); (6) information and communications technology (ICT) measures the regularity of utilising telephone, fax, word processor, spreadsheet, database, and electronic mail; (7) relation with other unions; and (8) partnership between union and management. The services strategy reflects the use of various services to meet members' needs, such as advocacy, social, and consumer benefit services. The social movement strategy shows the link between the union and other wider society groups.

The fourth set of variables identifies the level of union that has the most influence on union strategy, and the involvement of members in decision making.

THE POSTAL INDUSTRY

A democratic climate of the Indonesian industrial relations has risen since the fall of the regime Soeharto in 1998. Workplace unions have mushroomed from 6,211 in October 1999 to 18,352 in January 2005 after the enactment of the *Trade Union Act No. 21/2000*. In July 1998, there was only one federation registered to the Ministry of Manpower and Transmigration (Depnakertrans, 2006), but the figure jumped to 86 in January 2005. Yet, union membership in Indonesia has remained at low figure. The 2005 union membership verification (Depnakertrans, 2006) gave a figure of 6.2 percent or 3.3 million workers, in comparison to other ASEAN countries: Singapore 14 per cent and the Philippines 12 per cent (Amante, 2003: 13), whereas Malaysia was 8.9 per cent or 801,604 workers, which consisted of 617 unions (estimated from MoHR, 2005; DoSM, 2005)

Posindo is an Indonesian state owned company. It employs more than 26,000 people at 4,104 offices nationwide. Established as a post and communications company in 1906, the company was nationalised in 1945, and divided into separate post and communications companies in 1965. Posindo still dominates domestic mail market, due to its exclusive rights for delivering mails and documents below 500 grams under the *Postal Act No. 6/1984*. Its revenues in 2003 comprised 63 per cent from mails, 15 per cent from financial and agencies services, 12 per cent from logistics, and the rest from internet and networking business ventures (Posindo, 2003). However, Posindo is not a strong player in domestic and international package delivery markets (Layuck, 2002). Although in 2002 Posindo has increased its tariffs up to 40 per cent (Layuck, 2002), its 2003 financial report recorded a loss of Rp. 12 billion (AUD 2.4 million), which mostly was addressed as the consequence of Posindo to provide public service obligation for rural and remote areas (Firdanianty and Handayani, 2004).

Union in postal industry had a long history since the Postbond was founded in 1905 at the colonial period (Ford, 2003: 347). During the period from the independence in 1945 until 1965 there were several unions operated, such as Serikat Buruh Pos Telegrap Telepon and Serikat Buruh Pos Telekomunikasi (Cahyono, 2003: 139), before dissolved into the Corps of Civil Servants of the Republic of Indonesia (KORPRI) during Soeharto's period. It was not until 6 July 2000 that SPPI (Indonesian Post Trade Union) was established after the Government issued the Regulation No. 12/ 1998 that required every State-Owned Enterprises to establish trade unions (Posindo, 2003). SPPI claims of 24,510 members or 95 per cent of Posindo's employees. The Regional Committees were established at 11 Regional Offices. Another union (Reformed Indonesian Post Trade Union - SPPIR) was set up on 24 May 2002, supported mainly by the employees from managerial level, and attracted 4 per cent of Posindo's employees (interview, SPPI President, 18 April 2005). Differing from Malaysia, the *Trade Unions Act no. 21/ 2000* does not prohibit managerial employees to become union members.

In Malaysia, prior to its privatisation in 1992, Posco was under the administration of the Department of Postal Services (DPS). In 1958 union representation was implemented through the International Postal Union-IPU. DPS was privatised on 1st January 1992 and changed its name into Posco Malaysia Limited (Posco). Posco took over all DPS management and administration, and established their own strategy independent of government intervention. In 2001, Posco was acquired by the Phileo Allied Limited (PA), a company listed at the Kuala Lumpur Stock Exchange (Annual Report 2002, Posco). The refocusing on quality was taken with the expectation that Posco would become a world-class service.

In 2005, union members were around 14,800 in the Posco (HR Department, Posco, 2006), comprised 6,500 uniform workers, clerical staffs, and assistant executives. Seven trade unions were recognised. These seven in-house unions including Peninsular Malaysia of the Union Postal Uniform Services (PMUPUS), Sabah UPUS, Sarawak UPUS, Peninsular Malaysia of the Union Postal Clerical Workers

(PMUPCW), Sabah UPCW, Sarawak UPCW and Postal Junior Executive Union (PJEU) (Annual Report 2004, Posco). The industrial relations regulations limited union membership geographically, whereas different labour laws applied in each region (Aminuddin, 2003:114). For example, the *Employment Act 1955* applies in West Malaysia only, as Sabah has the *Labour Act 1949*, and Sarawak has the *Ordinance of Labour Act 1952*.

SURVEY EVIDENCE

Union Goals

SPPI has emphasised the employment-security oriented goals as the highest importance, which consist of preventing workforce reduction and guaranteed job security. In fact, due to inefficiency at the supervisory level, since in 2003 Posindo has reduced its workforce by more than 1,400 people, mostly through a voluntary early retirement programs (Gumilar, 2003).

Surprisingly, SPPI still put the objective for strengthening organising as priority issues, although it has reached very high level of membership, and acquired strong recognition from Posindo. SPPI rated economic goals as the next important goals, even though in 2002 it has succeeded in negotiating up to 300 per cent salary increase compared to the salary level in 1993 (Kompas, 2001), and a periodic salary increase embodied in its Collective Bargaining (CB).

Employment conditions, including work fairness, job productivity, workplace safety and health, and training become the fourth important goals. The influence over management policy was considered as *somewhat important* although in fact, SPPI was able to participate in budget meetings of Posindo. Besides, SPPI demanded a change of the Directors and Commissioners to improve the company's performances (Kompas, 2001; 2005).

The unions in Posco put a significant concern on the issues of job security. They were anxious that PA in 2001 would retrench workers. The unions finally managed to resolve this problem after several meetings with the Minister of Finance and other government officials. The government and Posco management promised that there would be no retrenchment for another five years (Minutes of the 4th CA Council Meeting, Posco, 20 May 2003).

The economic objectives were also pursued by the unions in Posco. For example, in the 4th CA 2003-2005 the unions have successfully negotiated a 20 per cent increase of salary and benefits. The unions also established Medical Benefit Fund for members.

The involvement of unions at Posco in influencing decision-making process is limited. The *Industrial Relations Act 1967* regulates several managerial prerogatives such as promotion, transfer, allocation of duty, and hire and dismissal. Therefore, unions have no right to discuss these issues with management. Since 1992 the

unions used *Majlis Perundingan Bersama* (Joint Consultation Committee - JCC) to have a say on workplace matters and to promote partnership.

Union Methods

SPPI employed CB engagement with Posindo as strategy methods in pursuing their objectives. In Posindo, the CB covers all workers at the company for both wages and term and conditions of works. Although the CB requires SPPI to recognise the management's right to manage the company, it stipulates that SPPI can participate in the budget and programs meeting. The first CB was achieved in 2001 and renewed every two years.

SPPI has combined bargaining method with arbitration and political actions. SPPI used the government led, Committee for the Settlement of Labour Disputes (P4D/P), as the arbiter to settle various cases, such as disputes on CB and dismissal cases. Although SPPI had no formal relations with any political party, SPPI has carried out a number of rallies and meetings with political institutions, including the Ministry of Transport and Telecommunication and Ministry of Finance concerning salary increase (*Kompas*, 2001), the House of Representatives on good corporate governance (*Kompas*, 2002), and the Indonesian President asking the replacement of the Directors (*Kompas*, 2005).

In the Malaysian context, wages and working conditions for the public sector are decided by the Public Service Department (Parasuraman, 2004; Idrus, 2001). Therefore, the management and unions merely discuss on non-controversial welfare and social issues through the National Joint Councils (interview, PMUPUS President, 13 January 2004). After Posco was privatised in 1992, the first CA was signed to cover the employees recruited after the privatisation. CA is valid for three years. However, some of the government's working conditions such as retirement benefits and medical and housing facilities still applied to employees who had previously working under the DPS. Actually, unions have little power to influence on the CA matters.

CB is another form of workplace representation in Posco at the enterprise level and was introduced since 1992. In the first stage, management will negotiate separately on wages with each of the seven unions. But in the second stage, they bargain jointly with all seven unions to discuss on the terms and working conditions.

The unions met several times with the Minister of Finance and other government officials for solving their problems, such as for increasing salaries and working conditions, and preventing retrenchments when Posco was privatised (interview, Union Official, 11 February 2004).

Union Tactics and Level of Strategy-Making

Union-Worker Relations

In attracting their members, SPPI did not merely rely on bread-and-butter issues regarding better pay and working conditions, but also raised the issue of quality, productivity, and good corporate governance. For instance, when Posindo considered a postal franchise business, SPPI submitted its complete analysis that opposed the plan (interview, SPPI Regional Committee, 4 May 2005).

The leaders coordinated regional officials and members by frequent use of telephone, short message service (SMS), facsimile, and electronic mails. The union officials mainly used word processor and spreadsheet for creating letters, proposals, and training materials. The publication of union activity was channelled through Posindo internal magazine.

In order to empower their members, SPPI have attended various external training, workshop, or seminar from union federations regarding the topics such as unionism, advocacy, and youth and women labour. They carried out internal training to cover more members. However, merely less than five percent of members have attended the trainings.

SPPI provided legal service to advocate their members that have problems with employers, including day-to-day grievance and dismissal cases. SPPI also arranged schemes for vehicle or home ownership, offered shopping cards, and initiated to set up cooperation (interview, SPPI National Committee, 18 April 2005).

Union delegates were participating at national and regional level to set up annual and budget plans. They were encouraged to give their voices and involved in decision-making. For instance, at a post office at eastern Jakarta, the members met once a month at the end of office hour (interview, SPPI Local Committee, 26 May 2005). However, the officials still have a greater influence when the decisions were made, particularly on strategic issues, as the decision-making of union activities were still dominated at the national level.

In Malaysia, at the national level, PMUPUS formed the National Working Committee. This committee conducted meeting on monthly basis. Two weeks before the meeting, PMUPUS would send the agenda for the next meeting, allowing the members to have ideas of the meeting. The main issues that covered during this meeting were workplace problems, union membership, training need analysis, budget plan, CA issues, grievance procedures, and company policies (interview, PMUPUS Assistant Secretary General, 12 January). These issues were discussed again during the JCC meeting every three months at the national level. Besides, every three months PMUPUS conducted meetings from the State level offices in Kuala Lumpur.

Members discussed any issues to the Branch Union Committee to be brought at the branch meeting. They mainly use telephone or union bulletin, published every three month, as medium of communication. The secretary general and deputy secretary general are responsible for union recruitment. The use of ICT is very low, since the management does not provide computer with internet facility. Most of time, clerical staffs use spreadsheet and other software.

Besides advocacy service, the unions and management organised social activities such as religious celebrations, family gathering, and sports. However, most of these activities were held at national or state level. Financial services for members are provided in the form of medical benefit and work insurance protection (interview, President of PMUPUS, 12 January 2004).

Union-Employer Relations

Basically, SPPI attempts to keep good relationship with management (interview, SPPI Regional Committee, 26 May 2005). Nevertheless, SPPI might escalate disputes into appeals and industrial actions for issues such as minimum wages, overtime rates, and temporary workers. As union officials were negotiating over pay increase in 2001, the members showed their solidarity by using black armbands, setting up banners, and making noise by tapping on their desks.

The development of cooperative relationships with employers is constructed through direct and indirect participation. In the 1990s Posindo implemented quality control circles (QCC) and suggestion system as the direct participations. These activities have been ceased due to lack of management support. The indirect participation is encouraged by the *Manpower Act No.13/ 2003* through *LKS Bipartit*, a JCC-like institution. However, instead of the *LKS Bipartit*, *Forkom HI* was set up to prevent the participation of non-union representatives (interview, SPPI Chairman, 18 April 2005). JCC emphasised topics such as company operations and productivity rather than discussing the subjects that have already been contained in the CB.

Referring to the CB, Posindo provides monthly financial support, office space, equipments, and transportation at every committee level (national, regional, and local), check off system to collect membership dues, and some privileges for union officials.

Unions in Posco adopted more cooperative relation with management, since there were many rules and legislations preventing union involved in the industrial actions. Therefore, it was not surprising that the Posco management strongly support most of union activities. For example, the management has approved the PMUPUS President to work as a fulltime union officer. Management also provided the rental for the union building, equipped with fulltime clerks, photocopy machine, facsimile, meeting room, and private rooms for the union officials.

The JCC in Posco was established before the privatisation. When Posco was under the government administration, JCC was called *Majlis Bersama Kebangsaan* (National

Joint Council-NJC). After it was privatised, the name of NJC was changed to *Majlis Perundingan Bersama* (Joint Consultation Committee-JCC). JCC gave an opportunity for union and non-managerial employees to have a say workplace matters, and also used for resolving IR matters. There were common subjects at the national and state level: manpower, educational and training, and general employment conditions (JCC Minutes of Meetings, 2001 to 2003). At the national level, they have discussed more strategic issues such as business plans and computerisation programs, as at the state level they dealt with operational issues such as safety and health (interview, IR Manager, 24 December 2003; Union representatives, 12 December 2003). However, the unions are still too weak to influence major company's policy plans.

External Party Relations

SPPI affiliated with ASPEK Indonesia, a union federation in services industries. The federation provided training, legal assistance, and networks, and channelled overseas aids for the development of SPPI. The Zentei Gunma, a postal union federation from Japan, has assisted the establishment of SPPI through ASPEK. The Friedrich Ebert Stiftung (FES), a German foundation, in May 2005 assisted SPPI to conduct a postal seminar on privatisation. SPPI also attended regular meetings of the ASPEK affiliations every three months.

The unions in Posco Malaysia did not directly affiliate with the Malaysian Trade Union Congress (MTUC); however, they were working closely with MTUC such as attending union training. Some of union committee members have served as members of the MTUC executive council. Besides, Posco affiliated with United Network Union (UNI) that provides training for Posco such as on recruitment, negotiation, and bargaining skills. Sometimes Posco unions joined the MTUC in supporting the campaign for consumer rights.

DISCUSSION AND CONCLUSION

The article has examined the dynamics of union strategy applicability in the postal industry. The framework of Gahan was employed to identify the components of union strategy, which consisted of union goals, union methods, union tactics, and the level of strategy-making (see Table 1). The preliminary evidence suggests that the model does contribute to the understanding of union strategy.

The postal unions emphasised the employment-security oriented goals as the most important objectives. In the period of economic crisis of 1997-1998 that was indicated by massive retrenchment and high level of unemployment, the unions were forced to prioritise the interest of members of securing current jobs in contrast of economic choices. A similar order of the union concerns was also found at the collective bargaining of Korean unions during the period of 1998 to 2000 (Jeong, 2007: 122).

Table 1: Comparison of Union Strategy in Posindo and Posco

<i>Dimensions</i>	<i>SPPI</i>	<i>Unions in Posco</i>
Union goals	▪ priority on employment-security and organisational goals	▪ priority on employment-security and economic goals
Union methods	▪ collective bargaining, political lobby and rallies, arbitrations	▪ collective bargaining and agreement, political lobby
Union tactics	▪ traditional (meetings, industrial action) ▪ organising (ICT use, new issues, training) ▪ servicing (advocacy, cooperation, shopping cards) ▪ partnership (JCC, participates in program and budget meetings) ▪ external relations (affiliates to national federation, meetings with other unions)	▪ traditional (meetings) ▪ organising (training) ▪ servicing (advocacy, gathering, work-related benefits) ▪ partnership (JCC) ▪ external relations (affiliates to international federation, attends national federation activities)
Levels of strategy-making	▪ national and regional annual meetings; centralised decision for strategic policies	▪ national and regional annual meetings; centralised decision for strategic policies

All postal unions utilised collective bargaining engagement complemented with political lobby through the executive and legislative institutions. SPPI also used arbitration method through the Committee for the Settlement of Labour Disputes in pursuing union objectives. The strategy was formulated through a deliberate, planned, process that is still dominated by the national leaders. While both cases displayed the use of combined tactics (traditional, organising, services, partnership) to support the methods, SPPI employed broader tactics that involved the use of information and communications technology (ICT) as suggested by Diamond and Freeman (2002: 590) and Fiorito et al. (2002: 650), new issues of Bronfenbrenner (1997: 207), and occasional adversarial approach (Gahan and Bell, 1999: 15; Cahill, 2001: 169). Some studies in the developing and advanced countries show that the use of comprehensive union-building campaign will significantly influence union effectiveness (Fiorito et al., 1995; Gahan and Bell, 1999; Bronfenbrenner, 1997; Kuruvilla, Das, Kwon and Kwon, 2002; Satrya, 2006).

Partnerships were practised in the form of indirect participation through meetings or joint consultative committee (JCC). The importance of partnership was found in

Hong Kong (Warner, 2002: 391), Indonesia and Malaysia (Satrya and Parasuraman, 2007), the Philippines (Erickson et al., 2003: 384), and Korea (Park and Leggett, 2004: 285). However, IR managers can use JCC in substituting participation of the unions, as evident in India, Malaysia, and the Philippines (Verma, Kochan and Lansbury, 1995: 346-349).

Overall, the unions in the postal industry employed collective bargaining engagement combined with collaboration to employers. Having acquired enough funding, facilities, and membership supports, SPPI exploited active approach towards organising its grassroots and empowering their members. SPPI employed more adversarial approach implemented at crucial issues such as on member welfares and corporate governance issues. At the other side, the unions in Posco were likely to be under-exploiting organising tactics, and relying more in servicing. Realising their weakness in bargaining power, as well as their ability to organise themselves, the unions in Posco seek a pragmatic step to construct partnership with managements through JCC.

Referring to the study of Boxall and Haynes (1997), SPPI may be classified as applying partnership unionism because they demonstrated sufficient signs of strong membership solidarity while developing partnership. Its bargaining power was strong enough to show 'both an opportunity and a threat to an employer' (Boxall and Haynes, 1997: 579). However, SPPI militancy was showed at only selected occasions. Therefore, SPPI is yet practicing a classical unionism. The unions in Posco are better to be categorised into the consultancy unionism that focus on servicing and engagement with employers, similar with unions in public sector in New Zealand (Boxall and Haynes, 1997: 578).

Fierce competition in postal and courier business accompanied by rapid innovation in postal and courier technology create more pressures to the unions. Therefore, the consultancy unionism, the strategy adopted by unions in Malaysian postal industry, will face a tough challenge to survive due to limited member supports. Changing the consultancy unionism towards the partnership unionism is probably the most realistic answer, rather than pursuing the classic unionism that relies on opposition. The unions have to strengthen commitment in organising, to improve union solidarity and participation, and subsequently to construct the partnership based on 'the collective power of workers' (Heery, 2002: 33; Gahan and Bell, 1999: 15).

END NOTES

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