Moderating Effect of Union Politicization on Leadership and Employee Outcomes Relation: An Empirical Study on Public Sector Organizations in Sri Lanka

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Abstract

Researches over the past decades have explored many aspects associated with employee unionism. However, it seems that some of the phenomenon of unionism have not either examined adequately or remained unexamined. This is evident more particularly in contextual aspects of employee unionization. Union politicization has been identified as such a contextual bound phenomena of unionism particularly in the South Asian region. However, it can be inferred that least attention has been put to explore the effect of the union politicization on various aspects of organization with a management perspective.

This empirical study was done with the aim of examining the effect of union politicization on the relationship between leadership and employee outcomes. Leadership was conceptualized with transactional and transformational leadership theory while employee outcomes were assessed with performance, job satisfaction and organizational commitment of employees.

A sample of 380 public sector employees were drawn using stratified random sampling technique and pre tested questionnaire were used for the data collection purpose. However, self-developed instrument was used for measuring the degree of union politicization, given the fact that it is highly contextual sensitive. Structural Equation Modeling (SEM) was utilized in analyzing the data with respect to the testing of hypothesis formulated.

It was found that union politicization records a significant moderating effect on the relationship between the leadership and employee outcomes. The moderating effect is such that higher the politicization of employees union, lower will be the effect of leadership on employee outcomes. The effect of leadership on employee outcomes will be high in the contexts where the politicization of employee union is low.

Key Words: Union Politicization, Transactional and Transformational Leadership, Job Satisfaction, Performance and Organizational Commitment.

1. INTRODUCTION

Unions as employees' organizations have been extensively examined in both labor and industrial relation studies (Wickens, 2008). These studies vary from studying the antecedents of unionization of employees to consequences of unions in organizations. As a result, many constructs and variables associated with unionized employees had been brought out, explaining both the behavior of unionized employees and their impact on organizations. However, it can be