PERCEPTION OF BHUTANESE EMPLOYEES TOWARDS LABOR UNIONS

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Abstract - Labor unions have played an important role in shaping the workforce and protecting the rights of employee. However, many employees in Bhutan are unaware about labor union and how they can be protected through labor unions. The purpose of this research was 1) to create awareness of unions to Bhutanese employees; 2) to find out why labor unions are not popular in Bhutan; and 3) to understand the disadvantages to Bhutanese employee of poor practice of labor unions. Even though the government of Bhutan has enacted the labor and employment act in 2007, most of the people in Bhutan are still unaware about this law and its benefits. A survey questionnaire was distributed to 104 employees in one of the companies in Bhutan manufacturing polypropylene packaging bags. The results showed that most of the employees neither agree nor disagree regarding the popularity of labor unions in Bhutan. It was concluded that the employees are not aware about the unions and have little knowledge about the existence labor unions in the country.

Keywords - Labor Union, Worker Association, Employee, Basic Rights of Employees, Bhutan

I. INTRODUCTION

Labor unions have become very popular in the rapid expansion of industrial society. Today, we live in the world of equality and labor union plays vital role to aid in employee freedom. It acts as a protecting shield for many employees all around the world. Most countries around the world have introduced trade unions and majority of employees all around the world are member of trade unions or worker association. Unions can be an instrument or the main back up force for an employee to protect their legitimate rights.

The revolutionary evolved with the shift in peoples thinking to fight for their rights, they formed a group that is popularly known as trade union/labor union. They protect labors against victimization and injustice. They fight to protect the legitimate rights of employees regarding the terms and conditions of employment which includes employment or working conditions which is the employee can claim if the working environment is hazardous to their health, working days and hours, wages which is employer cannot make employee do the work more than the minimum working hours, welfare, termination of employment which is the employer cannot terminate employees without any reason unless the employee breach the rules, petition procedure for employment and an amendment or renewal procedure of the working condition agreement, and the power to conduct collective bargaining

According to Fandl (2011), Bhutan only established the Labor and Employment Act in 2007 which the Bhutanese government found that many business and employees were unaware of the new regulation. As a result, the Bhutanese government reintroduced regional offices and send inspectors to visit throughout the country. According to labor and employment act of Bhutan 2007 it states that, "The workers of an enterprise of twelve or more workers employed under contract of employment may form one worker's association to represent their interest," however, no union exists in Bhutan so far.

According to Hammer and Avgar (2005) employees join to protect themselves and to claim their rights relating to employment. Employees join union primarily by job dissatisfaction and a belief that the union will be able to improve one's work life by ensuring higher wages and benefits, job security, and protection against autocratic and unjust treatment. The data show that union workers are at least as satisfied with wages, benefits, and job security as are nonunion workers. (Freeman, 1978; Kochan and Helfman, 1981). Not many employees in Bhutan know about labor unions. Though employees are benefited by joining unions but in Bhutan so far employees have never joined union nor formed a union. Employees in Bhutan are not aware of the labor union which is known as worker association in Bhutan covered by labor and employment act of Bhutan (2007). Due to the lack of knowledge about the law, the employees do not know how to protect their rights. Employers take advantage of it and they badly treat employees giving them low income and worst working conditions to work without any proper first aid facilities and making employees to work for more hours than the specified minimum working hours. The employees are manipulated and mistreated by the powerful employers.

Labor union affects the job performance, when the demand of employees is met and when they no longer have to worry about the security of job, when employees are paid good wages and salary with good working environment and when employer no longer

exploits and abuse employees, employees will naturally be committed to organization and to their work. It will increase their morale and enthusiasm to work and be loyal to organization which will affect in increasing job performance. In addition, it realizes employers the existence of labor union and its powers. Employers will not be able to abuse or exploit workers and less labor practices. Both the employees and employers will be happy which creates good working atmosphere.

This study was carried out to know the perception of Bhutanese employees about labor unions/worker association. Also, to create awareness and importance of unions especially to Bhutanese employees who are unaware of it. It was to focus how becoming/joining union benefitsemployees and how an employee can claim rights under the law. As such in order to fill the gap in this area, a study was conducted. The main objectives of this study were to create awareness of unions to Bhutanese employees; to find out why labor unions/worker association are not popular in Bhutan; and to understand the disadvantages to Bhutanese employee for poor practice of labor unions/worker association.

II. LITERATURE REVIEW

According to Dankert (1948), a trade union is an organization formed by workers to protect their interests and improve their working conditions, among other goals. It is a continuous association of wage earners for the purpose of maintaining and improving working conditions and according to Sidney & Beatrice (1896) they define labor union as the continuous association of wage earners for the purpose of maintaining or improving the conditions of their working lives. A trade union, also known as a labor union, is an organization composed of workers within a particular industry or profession.

According to Napathorn (2011) if the labor union is weakened and cannot truly protect the interests of workers, or if the labor union does not follow the philosophy of positive labor relation, employers will exploit workers. At the same time, workers will no longer trust the labor union as the representative of workers. Labor unions are there to safeguard the rights of the employees because they may get mistreated by the employers in many aspects such as low pay, working long hours, and working in unfriendly environment which may also lead to poor health among the members. Labor union strongly influence fairness among employees and reduce absenteeism.

Additionally, labor unions/worker association acts as a protecting shield for workers. Labor union secures the interest of the worker and improves their working conditions. According to Brestha (2012), being member of labor unions means you can bargain for fair wages and better working conditions in potentially dangerous working industries. Labor union members can bargain for the fair wages and working condition until their demands are met. Member also has an advantage of participating in management decision by providing suggestions on personnel policies and practices.

Bhutan is a very small country and most people are middle income earner. It is a developing country with new rules and regulations being established. Labor and employment act in Bhutan was mandated in 2007 by Bhutanese government. These regulations are meant to protect the rights of workers and to establish minimum labor standards that are acceptable internationally. According to the regulation under Labor and Employment Act 2007, Bhutan has regulation to form labor union which is commonly called “worker association” in Bhutan. According to this regulation the Bhutanese employers can form union/worker association under this act.

According to the Labor and Employment Act of Bhutan (2007), the workers of an enterprise of twelve or more workers employed under contract of employment may form one workers’ association to represent their interests which means the employees of 12 members employed under the contract of employment may form union/worker association. This law was mandated in 2007 but according to the study, has no labor union/worker association in Bhutan. According to Fanndl, (2011), the written laws or legislation is not put into practice by the people of Bhutan which means that employers are able to avoid compliance without any consequences. It has been more than 10 years but still people are unaware of this legislation.

The theoretical point of view used in this study waspluralist theory. Pluralism in the organization is perceived as being made up of powerful and divergent sub-groups – management and trade unions. This approach sees conflicts of interest and disagreements between managers and workers over the distribution of profits as normal and inescapable. Consequently, the role of management would lean less towards enforcing and controlling and more toward persuasion and co-ordination. Trade unions are deemed as legitimate representatives of employees. Conflict is dealt by collective bargaining and is viewed not necessarily as a bad thing and if managed could in fact be channeled towards evolution and positive change. Realistic managers should accept conflict to occur.

III. METHODOLOGY

This is a quantitative study which used a survey to gather data from the participants. Purposive sampling

was employed in order to obtain 104 participants from a company in Bhutan. The mean, standard deviation and percentages were obtained from the data gathered. Likert scale was used and a computer program was employed to analyze the data collected.

IV. RESULTS AND DISCUSSION

Out of 104 participants in this research, only 10 (9.6%) are members of labor union and 94 participants (90.4%) are non-members. The figure shows how unpopular labor unions are in Bhutan.
When participants were asked on what are the best methods to create awareness about labor unions to employee'sentertainment and visualization, education, and role play were the top three (3) popular choices, whereas campaign and workshops for employees were the least popular methods. The other choices given were media, survey questionnaire, print media like newspaper, and interview. The choices were made by a certain group of employees; other groups might present a different perception. Likewise, the answers did not differ much, as such, it can be concluded that employees were not well aware of the effective methods of creating labor union awareness to employees.

Another finding in the study revealed the reasons why labor unions are not popular in Bhutan. Participants replied that(1) there is limited number of companies and the employees level of. It is not easy to get in other company since there is a less competitive market job, and it is risky if they raise their voice for their rights through union. Also, there is less number of employees employed to join union. The second highest answer was, (2) we have another law that protect us; and (3) high number of monopolized company in the country. The survey revealed that employees are mostly neutral with the number two and three answers, which indicates that they neither agree nor disagree.This could mean that most of the employees in Bhutan or the participants are not well educated or have lack of knowledge and information about labor unions/worker association. They are unaware that their rights can be protected through labor union/worker association. It can also be interpreted that the employees or respondents are afraid of their job security and scared of raising their voice because labor union/worker association is something that Bhutanese people are not aware and this trend has not been followed or formed by any employees so far and joining unions or giving information that are related to company's management takes employees to the risk of getting fired The theory that proves the above findings is Pluralist theory (Johnson, 2005), which is about the power which is relatively broadly (though unequally) distributed among many organized interest groups in society that compete with one another to control public policy, with some groups tending to dominate in one or two issue areas or arenas of struggle while other groups and interests tend to dominate in other issue areas of struggle. This theory relates with labor union/worker association. This research talks about employers right to control over employees and according to the result of this research the employees are scared to raise their voice towards their employers and on the other hand it also somehow indicates that how the power has been distributed unequally among the groups by the government.

As regards the disadvantages to Bhutanese employee of poor practice of labor unions/worker association, almost all the respondents have answered "neutral," which means that they neither agree nor disagree. But, the most top ranked response of the employees towards disadvantages to Bhutanese employee for poor practice of labor unions/worker association are (1) I do not get paid for my overtime work; (2) I cannot negotiate about the terms and conditions of my employment; and (3) There is no one beside us to fight for us. The findings can be inferred that employees in Bhutan are not well equipped with the information and knowledge about the labor union/worker association. They are unaware with the fact of how union/worker association can benefit them and how without the union/worker association they can be abused and mistreated. Their response which is neutral shows that they are not aware of what is right and what is wrong and the employees in Bhutan do not know how to protect themselves with union/worker association. It can also be interpreted that they have a good law that protects them and their rights, however they are not aware of it.

The theory carried out related to this research Marx's (1927) alienation theory. This theory states that workers are disenchanted with their work because it is controlled and supervised by hierarchies of managers and supervisors.Marx criticized the capitalist system as an order in which the powerful firms have gained considerable power over employees. This theory proves the above findings. Employers and managers in Bhutan treat employees of Bhutan like commodities. Due to high unemployment rate in Bhutan employees are scared to be fired from the job, and are treated unfairly by their superiors. Workers are not means of production or commodities. They are a very important resource in the organization. The capitalist system reaps tremendous profits but gives meager wages to its workers. Employees should join labor union/worker association because it protects them and give them the power to do collective bargaining for their labor dissatisfaction.

CONCLUSION

Labor union/worker association which acts as the protecting shield for many employees all around the

world and its existence is solely to conduct collective bargaining relating to the terms and conditions of employment under the rightful law. Even though Bhutan established the Labor and Employment Act in 2007 which clearly states the regulation of labor union/worker association but still many employees in Bhutan are not aware of it and its benefit that they can get from labor union/worker association. Although some employees know its benefits, they are scared with their employers to raise their voice and claim their rights.

The findings of this study indicates that most of the employees in Bhutan are not aware about the existence of labor union/worker association and they are also not familiar about their knowledge on labor union/worker association and its benefits of becoming member of unions because most of the response were neutral which means they neither agree nor disagree. It could either be that employees are well protected by other law or they are not interested to talk about this topic. Moreover, it can be concluded that employees are scared to talk about joining unions due to the risk in their job and their relationship with management and employers.

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