



**AALBORG UNIVERSITY**  
DENMARK

**Aalborg Universitet**

## **Few indians and too many chiefs - a reason for declining trade union membership in Denmark**

Lind, Jens; Voxted, Søren

*Publication date:*  
2011

*Document Version*  
Tidlig version også kaldet pre-print

[Link to publication from Aalborg University](#)

*Citation for published version (APA):*

Lind, J., & Voxted, S. (2011). *Few indians and too many chiefs - a reason for declining trade union membership in Denmark*. Paper præsenteret ved Industrial Relations in Europe Conference IREC 2011, Barcelona, Spanien.

### **General rights**

Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

- ? Users may download and print one copy of any publication from the public portal for the purpose of private study or research.
- ? You may not further distribute the material or use it for any profit-making activity or commercial gain
- ? You may freely distribute the URL identifying the publication in the public portal ?

### **Take down policy**

If you believe that this document breaches copyright please contact us at [vbn@aub.aau.dk](mailto:vbn@aub.aau.dk) providing details, and we will remove access to the work immediately and investigate your claim.

IREC conference 2011, Barcelona

Søren Voxted, University of Southern Denmark, [voxted@sdu.dk](mailto:voxted@sdu.dk)

Jens Lind, Aalborg University, [jlind@socsci.aau.dk](mailto:jlind@socsci.aau.dk)

## **Few Indians and too many chiefs**

### **- a reason for declining trade union membership in Denmark**

#### **Abstract**

*The decline in trade union membership in many countries since the 1970s and the consequent weakening of the trade unions is due to a number of reasons such as occupational changes, welfare state and social regulation, liberalism and individualisation, and in Denmark (and Sweden and Finland) changes in unemployment insurance legislation and the institutional settings of the unemployment insurance system. All these factors are well known and have been analysed in the literature. This article sums up all these facts and reasons for trade union decline in Denmark, but the main analysis will be focused on another and supplementary reason for the membership decline among LO affiliated unions: a lot of trade union members leave their union to become members of unions organising managers. We discuss two partly overlapping reasons why some workers define themselves as managers without being formally appointed at such. Firstly, new principles of work organisation create job functions that incorporate an element of management. Some examples of these job functions is coordinator in self-managing teams, project manager, key account manager or staff executive at the quality insurance system etc. Secondly, some workers consider themselves to be managers without having formal managerial responsibilities.*

#### **1. Introduction**

Trade unions have always been the main social institutions in capitalist societies to represent workers' interests in the labour market and together with labour parties in the wider society. The decline in membership in many countries since the 1970s and the consequent weakening of the trade unions is a serious threat to acceptable and fair working and living conditions for workers. In Denmark – and the other so-called Gent-countries (Sweden and Finland) – membership losses started later than in most other countries, and the membership rate in these countries is still much higher than in other European countries.

Main reasons for membership decline are occupational changes, welfare state and social regulation, liberalism and individualisation, and in Denmark (and Sweden and Finland) changes in unemployment insurance legislation and the institutional settings of the insurance system. All these factors are well known and have been analysed in the literature.

In Denmark trade union membership rates peaked in the mid-1990s at around 80 per cent of the labour force. In 2010 membership rates were down below 75 per cent. The loss of members has exclusively been among trade unions in the LO main organisation who organises blue collar and white collar workers, while the FTF and the AC main organisations – for medium and high skilled professionals - have gained members. In 1995 the LO-unions organised 70 per cent of all trade union members but in 2010 the LO-unions' share of trade union members had declined to 59 per cent.

The article will sum up all these facts and reasons for trade union decline in Denmark, but the main analysis will be focused on another and supplementary reason for the membership decline among LO affiliated unions: a lot of trade union members leave their union to become members of unions organising managers. From 2005 to 2010 more than 20,000 members of LO-unions changed membership to the Danish Association of Managers and Executives. This migration away from the LO unions will be analysed and discussed in this article.

We will discuss two partly overlapping reasons why some workers define themselves as managers without being formally appointed at such. Firstly, new principles of work organisation create job functions that incorporate an element of management. Some examples of these job functions is coordinator in self-managing teams, project manager, key account manager or staff executive at the quality insurance system etc. Secondly, some workers consider themselves to be managers without having formal management responsibilities. The concepts 'leader' and 'management' have become more unclear in the late industrial labor market, with the result that some workers consider themselves as part of management despite they have no formal status or staff responsibilities as management.

On the basis of our conclusions to this analysis the article will finally discuss in what way the LO affiliated unions can react to this important reason for membership losses.

## **2. Trade Union Membership losses in Denmark**

The trade union membership loss is most frequently explained by a changing industrial and occupational structure where workers in the manufacturing trades are on the retreat while service sector and

'knowledge society' occupations are on the rise. Combined with this economic change goes the weakening of the social democracy and the ideas of a collectivist and solidarity welfare state and the revival of liberalist ideas, which not only abandoned Keynesianism and revitalised the less interventionist strategies of monetarism, but also included an ideological reorientation putting the individual in focus. In working life 'the end of mass production' with the ideas of restructuring work place organisation in terms of 'new production concepts', post-fordism and flexible specialisation were accompanied by a focus on the individual and his potentials and capacities. HRM became the *modus vivendi* for personnel policies instead of IR.

The focus on the individual and abandoning the collectivist approach in dealing with personnel matters was accompanied by trade union membership decline. In most countries membership rates peaked between 1975 and 1985 (France, Germany, Italy, the Netherlands, UK), while unions in other countries were doing well till the mid-1990s (Belgium, Norway, Denmark, Finland, Sweden) (Eironline 2004). Throughout the 1980s and 1990s unions searched for new patterns of attracting members by introducing new services and finding new strategies, but the loss of members has, however, not been curbed.

Most theories on trade union member recruitment departs from the notion that becoming a trade union member is the result of a rational choice – mainly based on economic reasons, and Visser suggests that reasons for the loss of members must be that the unions do not deliver the expected services or that they cannot uphold the custom or norm that assures that workers are willing to share that norm (Visser 2002). A main reason for workers to join trade unions is to be better protected against the competition in the labour market – to sell their labour at the best possible price and obtaining the best possible conditions at work. As Waddington and Whitston shows, this is still the main reason for trade union membership, and not the plethora of insurances, travels and other consumer related services that were tried to attract members in the 1980s and 1990s (Waddington & Whitston 1997).

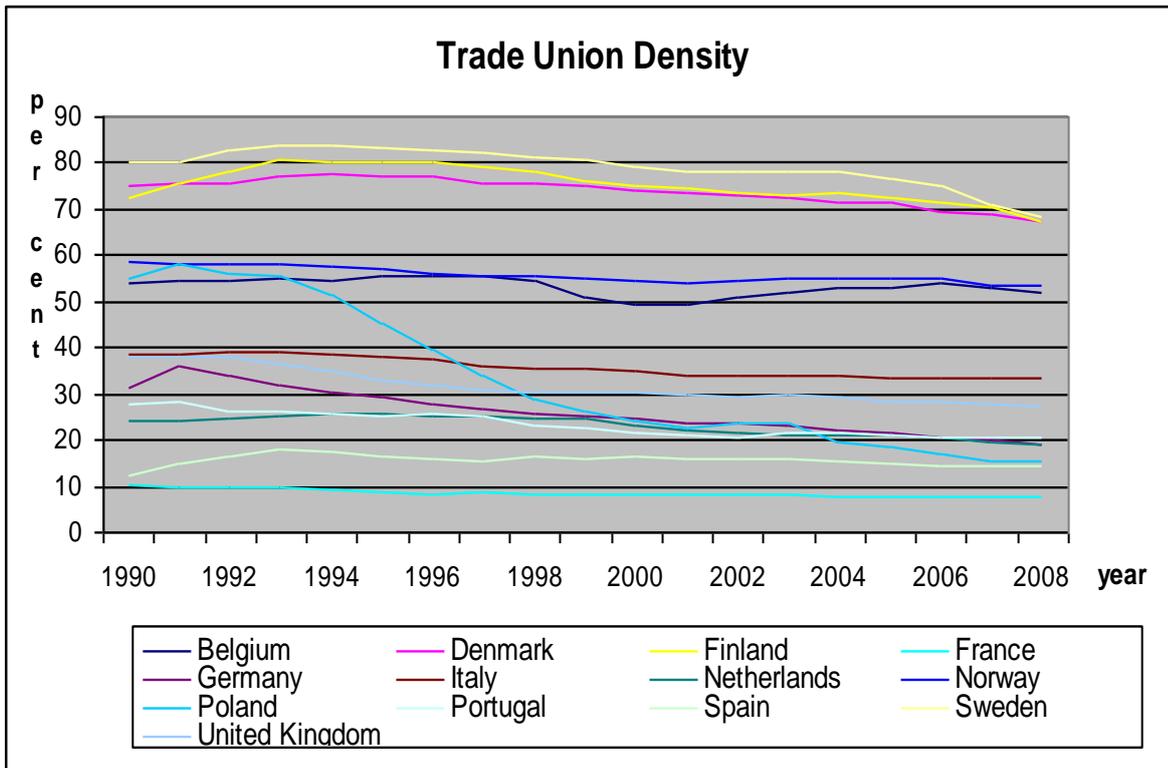
It is, however, disputed if trade union membership actually is an economic benefit to the worker. If other workers secure favourable conditions, it seems that the individual worker could benefit from this without being a union member. So "To attract members, [unions] must persuade workers to ignore their own narrow financial interest to contribute to a collective project where success or failure depends on the action of others" (Friedman 2008:59).<sup>1</sup> The mode of labour market regulation does also affect the propensity to be a union member. In countries where the conditions for the exchange of labour are mainly regulated by means of collective agreements trade unions should have a solid base for recruiting members,

---

<sup>1</sup> Friedman actually argues that workers do not join unions from economic rationality: it is more rational to "free ride on the efforts of others." (Friedman 2008:57)

while in countries where the state sets standards for pay and other working conditions, union membership must be based on other reasons such as influence on state policies (legislation), ideological orientations or other features.

Figure 1.



Source: OECD.stat

Variation in the trade union membership rates in European countries does, however, not entirely depend on the mode of regulation (collective bargaining or legislation) but also the characteristics of the bargaining system. Multi-employer bargaining and an inclusive bargaining system may further trade union membership (Visser 1991), but may often result in a growing problem with 'free-riding'. The low level of multi-employer bargaining, for instance, may be part of the explanation why voluntarism in the UK is accompanied by a low union membership rate while it is much higher in Nordic countries. Systems with a high degree of state regulation seem also to vary concerning trade union membership rates. Exceptionally low membership rates can be found in France and Spain, but around average rates in Portugal and Italy. So although this dimension may have some potential in explaining membership rates, it is nevertheless necessary to go into further details to explain the variation.

The difference between the UK and the Nordic countries is not only that collective bargaining and the organisational structure is much more decentralised in the UK than in Northern Europe, but also that the three countries with the highest membership rates - Denmark, Finland and Sweden – have a Ghent system. Workers tend to become union members to a higher degree in countries with a Ghent system than in other countries which do not have a voluntary system of unemployment insurance organised and administered by the unions. The difference becomes clear if we compare Norway with the Ghent-countries. The four countries share very similar systems and traditions, so a main reason for lower union membership rates in Norway could very well be that unemployment insurance is compulsory and solely an affair of the welfare state, while the unions are deeply involved in unemployment insurance in the Ghent-countries. So, there is little doubt that the unemployment insurance system is a major factor in the development of trade union membership rates and is a main reason for the declining membership rates in recent years (Lind 2009). So, there is little doubt that the unemployment insurance system is a major factor in the development of trade union membership rates and is a main reason for the declining membership rates in recent years (Lind 2009).

In Denmark membership losses have mainly taken place among unions affiliated to the LO main organisation (*Landsorganisationen*). Since the mid-1990s LO-affiliated unions have lost more than 300,000 members while unions affiliated to the other two main organisation, the FTF (*Funktionær- og Tjenestemandsforbundet*) and the AC (*Akademikernes Centralorganisation*), have gained members and so have trade unions outside these main organisations. This means that the LO share of total membership has declined from around 70 per cent in the mid-1990s to below 60 in 2010, cf. Tables 1 and 2.

Table 1. Members of trade unions in Denmark (000)

	1970	1980	1990	1995	1998	2000	2002	2004	2006	2008	2010
Labour force*	2027	2384	2669	2648	2639	2659	2672	2656	2667	2723	2718~
LO	894	1250	1423	1510	1484	1459	1433	1386	1339	1251	1201
FTF	156	277	325	332	344	350	356	359	363	359	358
AC	-	70	103	132	143	150	161	165	166	174	186**
Outside LO, FTF, AC	111	197	201	189	195	202	201	217	246	278	305

All trade unions	1162	1794	2051	2163	2166	2161	2151	2127	2114	2062	2050
Per cent of labour force	57	75	77	81	82	81	81	80	79	76	75

Remarks: \*self-employed not included, \*\* incl. engineers, ~ estimated. Note: Danmarks Frie Fagforeninger (The Free Trade Union in Denmark) not included.

Source: Danmarks Statistik

*Table 2. The confederations' share of total membership (per cent)*

	1970	1980	1990	1995	1998	2000	2002	2004	2006	2008	2010
LO	77	70	69	70	69	68	66	65	63	61	59
FTF	13	15	16	15	16	16	17	17	17	17	17
AC	-	4	5	6	7	7	7	8	8	8	9
Outside LO, FTF, AC	10	11	10	9	9	9	9	10	11	13	15

Source: Own calculations

Main reasons for the LO membership losses are mentioned above. The changing industrial and occupational structure is a basic reason as the LO member unions typically organises blue and white collar workers with no or little education such as unskilled workers, skilled workers in manufacturing and construction and low skilled shop and office assistants. The FTF member organisations mainly organise semi skilled service sector professionals and technical staff while the AC unions organise staff with an academic education. An important reason for declining membership of LO-unions and the stable development of FTF and AC unions is the Ghent-effect which especially hits the LO-unions (Lind 2009).

In addition to these reasons for loss of members there is a supplementary factor which has not yet been considered in the discussion. A special aspect of the occupational changes is the growing proportion of workers that becomes part of management and consequently leaves the traditional unions for workers who are not part of management.

### **3. Trade union members leaving for unions for managers**

Most – if not all – FTF and AC affiliated unions have no rules against organising lower or middle management employees. This is a tradition from the profession- and educational based organisational pattern. LO, however, has always had a more clear worker orientation stemming from the basically

adversarian attitude to management based on the social democratic theory. Employers, on their side, share the same idea: managers should not be organised in trade unions that organise ordinary workers but – if anywhere – organise in organisations for managerial staff. Until recently this order was stipulated in the main agreement (§5) between the LO and the employers' main organisation, the DA, but in 2007 this paragraph was suspended as it did not correspond to the legislation on the free choice of organisation (DA-LO 2007).

This change gave way for a debate internally in the LO-affiliated unions and the main outcome was the opinion that there would be no obstacle for the unions to organise middle and low managerial staff. Because of the significant loss of members, the LO in 2010 decided to examine to what extent the LO-unions lost members to unions organising managers.

The most important specialised organisation for managerial staff is the Main Organisation for Managers, Ledernes Hovedorganisation (LH), which organises both from public and private sector and both among employed staff and persons with their own business.

As we saw, the LO-affiliated unions have lost on average 50,000 members per year during the past 5 years or so, cf. Table 1. To find out how much of this membership decline is due to LO-members switching to the LH we can apply the statistics on membership of unemployment funds. This will not give us the exact measure of trade union membership changes, but may provide an indication of the issue.<sup>2</sup>

Table 3 shows that the net membership loss of LO unemployment funds to the unemployment fund affiliated to the LH, namely *Ledernes A-kasse* (LA) during 2005-2010 is 15,500 or around 2,500 annually. In other words: approximately 5 per cent of the LO membership losses can be assumed to be ascribed to members switching to the LH.

This is by far not a decisive proportion of the LO membership losses but it still contributes to the ongoing shake out which causes concerns about how the LO unions can maintain their strength and influence in the labour market.

---

<sup>2</sup> As can be seen from Table 3 not all members of the LH affiliated unemployment fund, the LA, are members of the LH. This is the same tendency in most unemployment funds and the related trade unions. Consequently we cannot directly deduce tendencies in membership of unemployment funds to tendencies in membership of trade unions, but it is best indication on the trade union membership movements we can get.

*Table 3. Membership of LH and LA and the movement of members between LA and unemployment funds affiliated to LO-trade unions*

	The Main Organisation for Managers (LH)	Managers' Unemployment Fund (LA)	From LO to LA	From LA to LO	Net from LO to LA	
2005	76,000	84,000	2,400	900	1,500	
2006	74,000	82,000	2,900	700	2,100	
2007	74,000	82,000	4,200	800	3,400	
2008	76,000	84,000	3,700	700	3,000	
2009	80,000	86,000	3,600	700	2,800	
2010	83,000	91,000	3,500	700	2,700	
Total exchange between LO to LA 2005-2010			20,300	4,500	15,500	

*Source: Danmarks Statistik, Pensionsstyrelsen, LO 2010a.*

A main reason for this traffic may simply be that workers increasingly become managers. Or are there other reasons?

In a survey the LO tried to find out the attitudes of managers relevant for a LO-union membership concerning their trade union membership and preferences (LO 2010b). The main conclusions from the survey were that

- 30% of the managers which are members of LO have personnel responsibilities compared to 61% among members of LH,
- 51% of the LO-managers find the trade union fee too expensive compared to 18% among LH-managers,
- the LH-managers are more satisfied with their union than the LO-managers,
- around half of the members have been in contact with their union within the past 3 years,
- 53% of the LO-managers and 44% of the LH-managers find that it does not matter if ordinary workers and their managers are in the same union or not,

- other managers recommend their colleague managers to become a member of the LH,
- more LH-managers (83%) than LO-managers (53%) prefer that their union is non-political,
- 50% of the LO-managers have considered to leave their union to be unorganised (19%) or member of another union (31%). (LO 2010b)

All these findings are not flattering for the LO-unions and indicate that the unions are facing a persistent problems that has to be dealt with to avoid a future membership loss among the trade union members that consider themselves to be managerial staff.<sup>3</sup>

#### **4. Why do union members enter unions for managers?**

An obvious explanation why employees go to LH (managers union) or completely leave any kind of organizing is because they become managers. They get a formal title of manager including personal management responsibility. Innovations both in the private and public sector like new technology (especially ITC technology), new work organisations, decentralization of decision-making and division of labor inside organisations and between independent organisations has increased the need for (formal) managers (Voxted, 2011). But an increasing number of formal managers represent just a limited part of an explanation.

In many ways, it is unclear who are managers in modern organisations. On the labor market today a lot of employees exercise management in practice. The consequence is that many employees call themselves 'manager' without even a formal title or personal management responsibility. Broadly speaking, a large proportion of trade union members decide themselves that they are a manager, coordinator or colleague without this is considered as wrong or create amazement. This self-promotion is evident in the survey we introduced in the first part of the paper. 67 per cent of respondents indicate they are managers, but without formal title as manager and without personal management responsibility. For the members of LH it is 40 per cent. But it is more than 70 per cent among members of the LO trade unions (LO, 2010b:7).

The proportion of employees considering themselves as managers seems to have increased during the past 25 years or so. According to a survey from 1985 covering a similar audience only 20 per cent of the respondents call themselves managers without even personal management responsibility compared to 67 per cent in the 2010 survey.

---

<sup>3</sup> We shall not go into any details about which LO-unions are the main membership losers to the managerial union, the LH, but it is mainly the union for non- and semi-skilled manual workers, the 3F, the union for clerical and shop assistants, the HK, and the metal worker union (Metal) (LO 2010a).

Table 4: First line managers use of time and allocation of tasks, in per cent

Tasks	No time	Little of the time	Some of the time	Lot of the time	Inaccurate time
Direct management (Personal management responsibility)	20	10	22	31	17
Safety management	57	25	10	8	0
Training and supervision	48	25	18	9	0
Vocational tasks	46	13	21	20	0
Production management	57	11	17	15	0
Economics and accounting	56	13	16	15	0
Administrative tasks	44	20	22	13	1
Other tasks	88	2	4	6	0

Source: Fællesudvalget vedrørende Arbejdslederuddannelse N=902

The focus of the following analysis in the paper will be on the reason why a significantly increasing number of members of the Federation of Danish Trade Unions (the LO) define themselves as 'managers', as reflected (see above) in the fact that they leave their trade union in favour of organisations for managers. No doubt, several explanations for this trend could be discussed, but here we shall confine ourselves to just one: current changes as a consequence of developments in the labour market.

### Changes in working life

Changes in the organisation of work have led to a far larger number of supervisory tasks. The functional explanation is that the demands in working life require that an increasing number of employees assume supervisory tasks for the purpose of handling these changes. The challenges facing organisations impose new tasks, require different qualifications and, as a consequence, lead to changes in formal managerial functions and what is expected from the employees. Management and organisational literature has numerous examples of how changes, such as the introduction of new technology, teamwork, quality control systems etc., have led to the setting of new agendas for the exercise of managerial authority in both the private and the public sector (e. g. Bach & Sisson (ed.), 2000; Pearce & Manz, 2005; Pearce & Conger (ed.), 2003; Exworthy & Halford (ed.), 1999). Likewise, according to both Danish and international quantitative surveys, organisational changes of this nature are widespread and of increasing significance (Arundel et al. 2006; Lundvall 2002; Nielsen 2006).

One result of such changes is that the permanent roles of the past, based on the division of labour, are disintegrating in favour of situational roles. The traditional and mechanical organisation is characterized by clear and predefined roles. The operator level is responsible for the performance of the work and (in some cases) well-defined/tradition-bound albeit limited tasks of coordination. The staff carries out planning and expert functions within a structure that ensures coordination with line management. And the role of the managers is to coordinate the work and constitutes a link between line and staff and to the hierarchical superstructure. Current trends in organisation and management have led to a relaxation of these roles over time. In addition, the late-modern development constitutes a transformation that challenges and (partly) dissolves the traditional distribution of roles as a result of current changes. The so far relatively permanent roles are currently being handled by all three categories of employees (operators, supervisors and members of staff) based on situational criteria, which in itself requires of the individual that he or she reflect upon their roles as well as on the expectations of others with regard to the content of specific functions. Before expounding on this explanation, it may be relevant to provide a brief definition of management.

### **What is management?**

The takeoff for this paper is that, unlike earlier times, it is no longer possible, to the same extent, to equate 'management' or 'leadership' with 'managers'. In the current situation on the labour market, there is a need for distinguishing between management/leadership exercised by formal managers and management/leadership as activity. The purpose of this distinction is to illustrate that other employees than those formally appointed to undertake managerial tasks have a real responsibility for tasks previously associated with formal managers.

Classical management theory (e.g. Fayol 1949; Mintzberg 1976) generally equates 'management', with 'the role of managing'. The widespread definition of supervision is when a person (the manager) carries out a task through others. Gary Yukl (2006:8), for instance, defines leadership (management) as:

*"Leadership is the process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives."*

This definition presupposes that management/leadership and the role of manager involves authority over other employees.

However, management may also be viewed as a more broadly defined activity. For this purpose, it will be convenient to make a general distinction between the performance and coordination of the work. The performance of the work is the actual production processes. The term 'production processes' involves a far broader range of activities than production of goods or services. The coordination of the work involves the tasks necessary for the performance of the work, such as coordination, supervision and control of work processes. As such, all jobs include elements of both performance and coordination. The manager's job in itself presupposes coordination, even if the supervisor is responsible for coordinating the work of others.

In accordance with this, management is linked to the coordination and control of the work. However, it is not possible to equate coordination with supervision. By far the majority of employees coordinate their own work to some degree, without this turning them into supervisors. And it makes no difference that coordination of one's own work in a number of cases is referred to as self-management. What makes a difference is whether a person undertakes tasks of coordinating the work of others (colleagues) and that a person without any official title is authorized by the organisation to perform this function.

### **Recent developments in the organisation of work**

This paper expounds the thesis that this changed perspective on management, from that of a formal function and role to an activity provides an opening to understand why an increasing number of employees consider themselves as 'managers', while the reason for this is to be found in the development from the rigid positions in the organisation of the past into functions in the organisation that are more fluid. Previously, organisations were generally composed of three categories of employees.

Production was largely in the hands of skilled and unskilled labour. This group was subject to the control of managers, but in many organisations they were responsible for planning, organizing and controlling their own work (Mintzberg 1983; Thompson & McHugh 1995; Woodward 1965; Vøxted 2004). The employees were (and are) largely organized by a trade union under the LO.

The formal managers are staff members with personal management responsibilities and in charge of planning, coordination and control of the work of employees. All managers were formally part of the management staff and hence representatives of the employers. In general, the supervisors were either not members of a union or members of special organisations for managers (LH).

Finally there were the staff functions, responsible for assisting the supervisors in the planning, control, and other forms of registration, in handling administrative tasks or through possessing specialised knowledge. Line and staff were completely separate, and all contracts went through formally appointed supervisors.

At present, however, we may point to an organisation with four categories of employees, all taking on tasks associated with management or, in general supervision:

The employees involved in production are still primarily concerned with the performance of the work. However, at the same time the employees perform functions associated with supervision of operations – i.e. supervision of their own work as well as that of their colleagues. The public sector predominantly employs people with a professional or a skilled background. In many organisations, taking part in the planning, organisation and control of their own work is still a natural part of the work for these groups of employees (e.g. Mintzberg 1983; Standing 2009). What is new is rather a matter of these groups being assigned lateral tasks of coordination, a theme that will be taken up later in this paper. Also, the employees are invited to contribute to the implementation of change (e.g. Kelly & Allison 1999; Kinslaw 1997; Busck et al. 2010; Vøxted 2008).

**The staff<sup>4</sup>** (includes several units with different responsibilities) perform a double role. In conformity with the classical management model, they remain the experts and assistants of the (senior) management. In performing this role, the staff functions are responsible for developing the new systems to be used for indirect control as well as for the drafting of quality standards, preparation of measuring tools and implementation of new technologies in collaboration with operations management and senior management. Accordingly, in the public sector, staff functions form part of the line organisation (Vøxted 2004; Vøxted 2010). The sources quoted, of which some are based on observational studies, all show that the staff is present and actively involved in operations management.

There are still formal managers at all levels of organisations included first line managers, and in general the literature claims that this layer is undergoing professionalization. The professional management and supervision is the system that, to the greatest possible extent, consists of fixed and well-defined roles in the form of individuals appointed as managers and expected to fulfil specific functions. The point of using the term ‘professional management’ in this paper is specifically to stress that the fixed roles and responsibilities are different from those of operations management. The most important task of the system is personal management, formulation of strategy and organisational development, including motivation/facilitation of the employees in accordance with the plans, targets and visions of the senior management (e. g. Bach & Sisson (ed.) 2000; Lind & Vøxted 2010; Yukl 2006). As a consequence, it is necessary in developing public as well as private sector organisations to aim at professionalizing this level of management by virtue of the fact that the supervisors of this system have professional supervisory skills that set them apart from those

---

<sup>4</sup> Staff is e.g. techno structure (see Mintzberg, 1983), support staff (ibid.), office staff and R&D staff

of the other employees. This is in contrast to the classical model under which supervisors did not possess professional supervisory qualifications but carried out their supervision from a qualifications basis similar to that of other employees. The tasks associated with professional management used to be placed higher in the organisation. Or they were entirely absent. For instance, the constant need for change management that we see today was not a feature of working life in the past.

The present way of doing things has emerged as a consequence of the changes to which modern organisations are subject. As a result of the development, work in the individual units is becoming increasingly specialized and demands more specialized knowledge. We now see that the individual (first line) manager does not have a full overview of his/her own organisation, and for this reason leadership is more about motivating the employees to use their knowledge rather than planning, organizing and controlling the daily work. Leadership also includes being able to weigh activities and consumption of resources for operational tasks and the ongoing reorganization. Thus, in the organisation, the professional managers become responsible for implementing change and for handling the opposition that frequently emerges among the members of the organisation. This requires up-to-date knowledge of change processes and use of management technologies<sup>5</sup> that are different from the operational tasks of the classical managerial role. In making this point, it is important to emphasize that in a late-industrial market, we still find formal operational managers undertaking (detailed) planning, organisation and control of tasks as well as job-specific supervision. But in general we see that where these managers, under the classical model, were formally appointed, this function is now far more flexibly structured and in this model largely performed by functions and roles (employees) from the other systems of the organisation.

What is new is that this sharp distinction between employees, managers and staff has largely been dissolved. Developments in the labour market are characterized by speedy and far reaching changes and increasing complexity, which has called for a more flexible organisation where the tasks and responsibilities of the employees increasingly depend on the situational context. As a result, therefore, we are witnessing a merging of the three organisational layers. One consequence of this merging is that employees from production and staff take over supervisory tasks, i.e. tasks that used to be the responsibility of formal supervisors. This is seen in various ways, as can be illustrated by three examples:

-**members of staff** exercising practical supervision of employees and, in many cases, formal supervisors. These may include staff involved in quality control and planning or employees with specialized knowledge within one particular field. Today, it is typical for members of staff to be in direct dialogue with employees

---

<sup>5</sup> The term 'management technologies' refers to systems or tools such as self-managing teams, value-based leadership, LEAN etc.

without having to go through their nearest supervisor. The staff of both public and private organisations often consists of academics, but also LO members such as clerical staff may be part of staff functions.

**-coordinators** are employees/colleagues who, on an everyday basis, undertake specific managerial tasks that have been transferred to the employees in connection with the establishment of self-managing teams or similar forms of organisation. A large number of tasks of job-related supervision, planning, organisation and control are undertaken by the teams who in practice handle tasks through coordinators. The way that coordination is handled varies from team to team. A very common form of coordination is to assign responsibility to one specific individual for a well-defined task or area. As a result, most groups have several coordinators. Other teams have only one. Either a specific person who becomes de facto first line managers or with all or some employees taking turns at various tasks at pre-arranged intervals.

**-project managers** is used about employees or members of staff who are given a leading role in a 'project'. A project may be a development task or a well-defined production (such as a building project). Being a project manager is a temporary function. Not least in connection with minor change-implementation projects and development tasks is it common to have someone without formal managerial authority appointed as project manager.

Common to the three categories is that they involve authority to carry out management or supervision in practice, despite the absence of a formal title. As a result, the concept of management is much more broadly applicable, and far greater numbers of employees are involved in supervision in practice. This also goes for many of those belonging to the LO group of employees.

## **5. Conclusions and perspectives**

There are several reasons for workers leaving trade unions. In this paper we focus on a reason that has not been discussed before, namely that some members of the unions start seeing themselves as managers. In consequence they change their trade union membership from workers' unions to unions for managers. Some of them leave the trade union because they do not want to be in the same union as 'their' employees.

A major conclusion of the paper is that a large number of the members of the LO trade unions look at themselves as a manager, even without a title of manager. They are 'managers' because they have responsibility for some managerial tasks. But on the other side they have no title as managers and (most important) they have no responsibility of personal management. In the paper, we argue that organisational change and changes of the labor market are key reasons behind this development. We have highlighted

this development in the paper, but we are aware, there may be other reasons some workers consider themselves to be managers without having formal managerial responsibilities such as the individualization in the late modern society taking place in all parts of the social life, including participation in the labor market (e.g. Beck, 1985 & 2002). This development has legitimized and, in some circles even given status to call themselves 'manager', regardless that the employee in fact is in a position in the organisation which is outside the classic definition of manager.

The fact that a growing number of trade union members perform leadership in practice, and some of them consider themselves as managers provide a challenges to the trade unions. Employees who exercise management in practice as project managers, co-coordinators etc. have some special needs. They are placed in a new position between the formal managers and their colleagues. It is a difficult position, and many of them will ask for e.g. training, education and forums where they can discuss experiences and problems. The question for the trade unions is if they want to organize these special employees with their new position in the organisation and their consequently special needs? Maybe the question is if the trade unions actually accept that these employees have some special needs. If the answer is positive, and the trade unions choose to include them as members with special needs, the next challenges will be create special offers to this target group.

If the trade unions decided to maintain the employees as members who exercise leadership, but is not formal managers, there is a need to recognize that these employees have a special position in the organisation. Therefore, they have a number of special needs too. Some trade unions have already faced this issue, and have started to organize both formal managers and make special offers to the members who are 'managers without title as manager'. Two of them are Trade and Labour (FOA, the trade union of public sector employees) and Danish Association of Professional Technicians. The experience from these two trade unions, and other trade unions and professional associations among academics and semi-academics, show that if the trade union will keep employees who have managerial tasks, including first line managers, it is necessary to have special offers that satisfy the needs of those members. We find that such a discussion could be necessary because the number of employees who exercise managerial tasks is large and growing.

## References

- Arundel, A. et al. (2006); *The Organization of Work and Innovative Performance: A comparison of the EU-15*, DRUID Working paper, no. 06-14
- Bach, S. & K. Sisson (ed.), (2000), *Personnel Management, A Comprehensive Guide to Theory and Practice*, Blackwell Business, Oxford
- Beck, U., (1992); *Risk Society: toward a new modernity*, Sage Publications, Thousand Oaks
- Beck, U., (2000); *The Brave new World of Work*, Cambridge University Press, Cambridge
- Busck, O. et al., (2010), The transformation of employee participation: Consequences for the work environment, *Economic and Industrial Democracy* 31(3) pp. 285–305
- DA, LO (2007), *Protokollat vedrørende Hovedaftalens §5*, DA-LO, København.
- Eironline (2004), *Trade union membership 1993-2003*, <http://www.eiro.eurofound.ie>
- Exworthy, M. & S. Halford (ed.) (1999); *Professionals and the New Managerialism in the Public Sector*, Open University Press, Buckingham
- Fayol, H., (1949); *General and Industrial Management*, Sir Isaac Pitman & Sons, LTD., London
- Friedman, G. (2008), *Reigniting the Labor Movement*, Routledge, London.
- Kelly, S. & M. A. Allison, (1999); *The Complexity Advantage*, McGraw-Hill, New York
- Kinlaw, D. C. (1997); *The practice of Empowerment*, Ashgate, Surrey
- Lind, J. (2009), The end of the Ghent system as trade union recruitment machinery?, pp.510-523 in *Industrial Relations Journal*, 40:6.
- Lind, J. & S. Vøxted, (2010); *New principles of management in modern organizations*, paper, IIRA European Congress, Copenhagen, July 2010
- LO (2010a), *Medlemsudvikling i Ledernes A-kasse*, LO, København.
- LO (2010b), *Projekt lederinitiativer – Analyse 1*, LO, København.
- Lundvall, B. Å., (2002); *Innovation, Growth and Social Cohesion*, Edward Elgar Pub., Cheltenham
- Mintzberg, H., (1980) [1973]; *The nature of managerial work*, Prentice-Hall, Englewood Cliffs
- Mintzberg, H. (1983), *Structure in Fives*, Prentice Hall International, Inc., Englewood Cliffs
- Nielsen, P. (2006): The Human Side of Innovation Systems? Innovation, New Organization Forms and Competence Building in a Learning Perspective, Aalborg Universitetsforlag, Aalborg
- Pearce, C. & C. Manz, (2005); The New Silver Bullets of Leadership: The Importance of Self- and Shared Leadership in Knowledge Work, *Organizational Dynamics*, vol. 34, Issue 2, pp. 130-140
- Pearce, C. & J. Conger (ed.), 2003; *Shared Leadership – Reframing the Hows and Whys of Leadership*, SAGE Publications, Thousand Oaks
- Standing, G. (2009); *Work after globalisation*, Edward Elgar Pub.,

- Thomson, P. & D. McHugh, (1995), *Work Organizations: A Critical Introduction*, Macmillan Business, Hound mills
- Yukl, G., (2002), *Leadership in Organizations*, Prentice-Hall, Upper Saddle River
- Visser, J. (1991), Trends in trade union membership. *OECD Employment Outlook*, OECD, Paris, pp. 97-134.
- Visser, J. (2002), Why fewer workers join unions in Europe: A social custom explanation of membership trends.' *British Journal of Industrial Relations*, 40(3): 403-430.
- Voxted, S., (2004); *Arbejdslederrollen under forandring*, LEO, Aalborg Universitet & KLEO, UC København, Aalborg & København
- Voxted, S., (2008), Learning Organizations in Practice, in Christensen, Allan (ed.) *the Learning Perspective*, Aalborg Universitetsforlag, Aalborg
- Voxted, S., (2010), *Establishment of self-governing teams: Equality in working life or a new way of polarization of the workforce*, paper, IREC 2010, September, 8-10, Oslo.
- Voxted, S., (2011), *The new hierarchy, paper*, Annual International Conference on Human Resource Management & Professional Development for the Digital Age (HRM&PD 2011), November, 7-8, Singapore
- Waddington, J., Whitston, C. (1997). 'Why Do People Join Unions in a Period of Membership Decline?'. *British Journal of Industrial Relations*, 35:4, 515-546.
- Woodward, J., (1965); *Industrial organizations: theory and practice*, Oxford University Press, London