

## **UNION LEADERSHIP: WHAT IS TRANSFORMATIONAL LEADERSHIP AND CAN IT MAKE A DIFFERENCE?**

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### **ABSTRACT**

*This paper addresses the issue of transformational leadership in trade unions, and whether transformational leadership can make a difference, both for the union's organisation, and in terms of outcomes for its members. It examines the literature on transformational leadership and develops a set of characteristics of transformational leadership based on this. This framework of characteristics is then discussed in the context of a case study, the Shop, Distributive and Allied Employees' Association (SDA), which underwent a major leadership change in the 1970s. In the case of the SDA, and based on the literature, we conclude that the leadership of the union at that time was transformational, and that this leadership had positive benefits, both for the union as an organisation, and in terms of outcomes for its members.*

### **INTRODUCTION**

The issue of trade union leadership has increased in significance since the deregulation of labour markets and legislative and regulatory reform that began in the late 1980s. These events, together with a significant decline in employment in the manufacturing sector, have led to a decline in union membership in Australia from a high of over 50% of the workforce in the 1970s. While in 1979 just over half (51%) of Australian wage and salary earners were union members, in 2000 under a quarter (24.7%) of workers were unionised (Carter & Cooper, 2002).

The downward trend is continuing. The proportion of employees who were trade union members in their main job decreased from 20% in August 2009 to 18% in August 2010 (ABS). In total, 1.8 million employees are trade union members, a decrease of 47,300 employees from the previous year.

In this context, attention has begun to turn to the role of leadership in unions. Buttigieg, Deery and Iverson (2008), argue that leadership behaviour can affect

union loyalty and the willingness to participate in a wide range of union activities. Further, their research findings support the importance of leadership responsiveness for membership mobilisation. This is significant because union responses to this decline have included greater attempts to involve union members through the organising works programs. The authors' findings suggest that the potential for reversing the decline via this program can be affected by the effectiveness of leadership in the respective unions.

## **LEADERSHIP**

Leadership involves influencing people to strive willingly for the achievement of goals in a given situation whilst maintaining the superior-subordinate pair or group in good working order. It is one of the four major functions in traditional models of management (planning, organising, controlling and leading). This view of leadership as being a 'management' function may explain why leadership of trade unions is not a well understood area in the leadership research field (Knowles, 2007). However, given that leadership in the management of organisations deals with change, inspiration, motivation and influence, we would argue that the general literature on leadership is just as relevant to contemporary trade unions as it is to business management.

Therefore, despite the absence of a separate body of theory of trade union leadership and the differences between union leadership and that of other organisations, general leadership theory seems to provide some explanations of union leadership worthy of consideration.

In reviewing the literature on leadership, we focus on the distinction between transactional and transformational styles of leadership, and in particular seek to examine whether a transformational style of leadership can make a difference to unions. Those leaders who exhibit a transactional leadership style focus on initiating appropriate organisational structures and focus on the traditional functions of plan, organise, direct and control in order to build respect and trust (Twigg, Fuller & Hester, 2008). Transformational leaders go beyond this administrative or bureaucratic focus.

### **Transformational leadership**

Transformational leadership theory does not look at leadership styles on a continuum with initiating structure (transactional) style on one end and individualised consideration on the other. Rather, transformational leadership incorporates the two styles. A transformational leader must perform some combination of the transactional functions (plan, direct, organise, control) in order to build respect and trust. Only then can the individualised consideration

functions of coach, mentor and facilitator be used as a transformational style (Twigg, Fuller & Hester, 2008).

Consequently, a transformational leadership style augments the transactional leadership style (Bass, 1985). Therefore, a transformational leader must deal with others as in an exchange relationship that builds trust in a social exchange relationship and incorporating obligations beyond formal or written obligations (Blau, 1964).

Twigg, Fuller and Hester (2008) argue that transformational leadership theory provides a more comprehensive means to investigate the effects of leadership style on citizenship behaviours than previous leadership styles (eg leader/member exchange, contingency, situational, path-goal).

### ***The elements of transformational leadership***

Transformational leadership theory goes beyond economic, social or even psychological exchange relationships. The literature outlines several elements that constitute a rounded model of transformational leadership.

Bass and Steidlmeier (1999) argue that transformational leadership fosters mutual trust and support, and a willingness in followers to look beyond their self-interests and make sacrifices that support the organisation. A transformational leader gets people to work towards some higher purpose or goal rather than simply having expectations of receiving a specific economic benefit. Transformational leaders develop covenants with others that go beyond the economic, social or psychological contracts promoted by transactional leadership (Van Dyne et al. 1994; Rousseau & Tijoriwala 1998; Bass & Steidlmeier 1999).

Covenantal relationships rest on shared commitment to ideas, to issues, to values, to goals and to process. They imply acceptance of organisational values and the existence of a bond, rather than a contract, between individuals and the organisation. They are based on the belief by individuals that the organisation is committed to, and cares about them (Twigg, Fuller & Hester, 2008). In a business organisation, this enables work to have meaning and be fulfilling, to some extent making individuals feel like volunteers. From a union perspective, union leaders develop covenantal relationships with members by encouraging them to identify strongly with the union's collective values, mission and traditions, thus creating and developing their members' sense of social identification with the union (Cregan, Bartram & Stanton, 2009). This suggests that transformational leadership should promote the formation of the mutual commitment characterising covenantal relationships.

Twigg, Fuller and Hester (2008) found that transformational leadership behaviour was strongly related to perceived union support, a social exchange construct. The results also indicated that there are positive and significant relationships between other social exchange constructs such as felt obligation and trust. Social identity theory is used to augment social exchange theory in explaining the process by which transformational leadership behaviours relate to union citizenship behaviours through union-based self-esteem.

Research conducted by Cregan, Bartram and Stanton (2009) provides strong support for the impact of transformational leadership and social identification on the collectivism of members. The results supported a significant indirect effect of transformational leadership on loyalty and on willingness to work for the union. Similarly, Mertocchi (2002) argues that social identity plays a major role in determining the strength of collectivism.

Knowles (2007) states that there are some similarities between leadership in trade unions and leadership in other sectors, and argues that the French and Raven (1958) model is useful in explaining a trade union leader's personal power and how influence is exercised. This model attempted to identify the major categories of social power. Five power bases were identified: referent (or charismatic power which arises from identification with a leader's personal traits or resources), expert (which arises from skills or knowledge which is valued), reward (power to offer positive benefits), legitimate (similar to Weber's notion of the power that comes as a consequence of a leader's position in the hierarchy) and coercive (the ability to apply, or threaten to apply, physical sanctions).

The analysis by Hammer, Bayazit and Wazeter (2009) of union leadership roles shows that union presidents should have both a within-union focus and an external focus. They surveyed state officials of the National Education Association as well as presidents and members of 248 union locals in the United States to examine relationships between leadership and members' perceptions of union instrumentality and justice, union commitment and participation. The results showed significant union-level effects on members' beliefs about, and attitudes toward their unions, attributable to the presidents' internal and external leadership, wage outcomes and union characteristics. These perceptions fully mediated the relationship between externally focused leadership and union loyalty. While the authors caution against making generalisations based on their research, the overall findings are still of significance, as they demonstrate that union leadership does make a difference.

### ***Key characteristics of transformational leadership***

From our review of the literature, we have identified six key characteristics that seem to encapsulate the principal attributes of transformational leadership and how it can make a difference. These characteristics are:

- effective use of basic transactional aspects of leadership (plan, direct, organise and control)
- fostering mutual trust and support, encouraging individuals (members) to make sacrifices that support the organisation
- development of shared ideas, issues, values, goals, commitment
- promotion of social identification and collectivism of members, loyalty
- use of power bases, particularly personal power or charisma
- focus seen to be both within the union and external

We will now use these characteristics as a framework to examine a case study of a trade union that underwent significant change and membership growth in the 1970s and 1980s.

### ***Case Study: The Shop Distributive and Allied Employees' Association***

The SDA (formerly the Shop Assistants' and Warehouse Employees' Union) underwent transformation from a very small body with little influence in the 1960s to one of Australia's largest unions (at one point its largest). The focus in this study is on developments in the New South Wales branch, although changes eventually took place in all state branches.

Prior to 1968, the membership of the state branch did not exceed 5000. It was concentrated in the large Sydney CBD stores, with a conservative mostly male leadership. The focus was on maintaining the predominance of 'full time career' employment in the industry. Its Secretary, Ernie O'Dea, enjoyed a good relationship with some of the major retailers, who reportedly would encourage their staff to sign up for the union when its elections were due. (Interview: Brian O'Neill, July 2013).

However, by 1968, as O'Dea was coming up to retirement, new organisers were recruited for the branch. These included Barry Egan and Brian O'Neill who would go on to become Secretary and Assistant Secretary respectively, in 1970. Whereas the former officials had previously worked as full-time shop assistants, having worked in the informal 'apprenticeship' system that existed at the time, the backgrounds of Egan and O'Neill were different. Egan had

previously worked as a department store manager, and O'Neill was tertiary educated and a former school teacher. (Interview: Brian O'Neill, June, 2013).

The new leadership wanted to grow the union and therefore adopted a more proactive approach to union policies. They drew inspiration from the approach of the UK retail union. The name of the union was changed to the SDA and greater activism from members encouraged, with new organisers appointed and a network of job delegates (shop stewards) established in the larger retail stores. Together with the encouragement of greater member involvement, the new leadership also developed a closer and more strategic relationship with the large retail employers (Interview: Brian O'Neill, June, 2013, Mortimer, 2001a and b).

Both these developments were also facilitated by a major change in the industrial relations landscape. By the early 1970s, the proportion of trade union members had fallen to under 50% of the workforce for the first time in the post war period, reflecting the beginnings of structural change in the Australian economy. The new President of the Australian Council of Trade Unions, Bob Hawke, had recognised that the unions needed to increase membership penetration in the growing white collar sector. Also, the retail industry was seen as having major potential for membership growth. A key strategy to achieve this was an agreement between the union and the six major Australian retailers which would have the retailers ask new (and existing) staff to join the union. As the current SDA membership was only small and conservative, this meant that the union's officials (including Egan and O'Neill in NSW as well as the Victorian Secretary, Jim Maher and others) needed to adopt a broad external focus to work with officials from the ACTU and other affiliated unions, as well as developing closer links with sympathetic managers from the major retailers and the Retail Traders' Association (RTA). (Mortimer 2001a; Interview: Brian O'Neill, June 2013).

These external union linkages led to other unions agreeing to support the ACTU-brokered SDA campaign. This support included a threat by the Transport Workers' Union in NSW to blockade the major Roselands shopping mall in NSW, and a threat by the Shipping Clerks' group within the Waterside Workers' Federation to blockade shipments to a major retailer in Tasmania. These actions were met with concern and uncertainty as to how to proceed from retail employers who were totally unused to, and unprepared for a major union dispute, and so had a significant effect on the outcome of the SDA campaign. At the same time, Egan and O'Neill were developing closer ties with the major employers. Employers were encouraged to see that having all of their employees in the union would ensure a moderate union leadership and that job delegates could perform a useful role in bringing workplace issues to

the attention of management. A challenge to the union's leadership in NSW from supporters of the left wing Miscellaneous Workers' Union also would have encouraged employers to see advantages in having all retail staff belong to the right wing SDA. These developments culminated in the ACTU being able to sign a membership agreement with the six major national retailers of the time, requiring them to effectively sign up all their staff to the SDA (Balnave & Mortimer, 2005; Mortimer, 2001a).

For members of the union, one of the advantages of the agreement was that the increased membership base facilitated the development of a representative job delegate network in the larger stores. Numerous minor workplace issues and grievances could be easily brought to the attention of management. This was significant because people management issues in retail traditionally had a low priority, with 'personnel managers' performing largely administrative roles, and with no industrial relations specialists. As a result, stores were dominated by a 'merchant ethic' where the needs of staff took second place to the need for sales. This had led to issues for both employees and management. For employees, there was a widespread practice of unpaid overtime where staff were expected to arrive before store opening to set up, and stay after closing to pack things away, but were routinely not paid for this. In addition, minor grievances about issues such as uniforms went unaddressed. The biggest issue of all, however, was the need for retail staff to work a five and a half day week. Whereas virtually all white collar service industries including banking and the post office closed their doors on Friday nights, reopening Mondays, giving their staff a five day week, retail employers would not do the same.

These were issues not only for existing retail employees, but they also affected potential recruitment to the retail industry, as evidenced by that fact that by 1970 the percentage of junior retail employees in Grace Brothers (a major department store group, now part of Myer) had fallen below the levels allowed in the Retail Industry Award for the first time. As well as using the job delegate network to raise awareness of union activity on these issues to new members, the increased activity around these issues also raised the significance of 'people management' for retailers. Some of the major retailers had begun to employ 'industrial relations officers' or assign these responsibilities to other managers, and the union began to work with these managers to respond to issues, raising their profile in the process (Mortimer 2001a and b).

A significant outcome from these proactive attempts by the union to raise the profile of people issues and the cooperation with managers was the change in retail trading hours. As noted, the five and a half day working week was seen

as a barrier to entry of new staff into the industry. The union's policy for over 20 years had been to advocate Saturday closing of retail stores. However, this was opposed by the major retailers and was not supported by the NSW Industrial Commission on the basis that it was not in the public interest. The major retailers instead advocated a return to the pre-war one night a week of 'late night shopping'. The stalemate was resolved by the new leadership of the union working with the retailers to introduce a 'roster' system within extended trading hours, so that staff would work their 40 hours within a five day rostered arrangement. While the actual roster arrangements worked differently for each retailer, a pattern began to emerge whereby full time staff benefitted from having a long weekend off every second week. This was seen as a 'win-win' for both staff and management, allowing stores to extend their trading hours, and giving staff a five day week with the added advantage of access to 'long weekends' on a regular basis. (Mortimer, 2001a and b).

These developments in NSW were mirrored in other states. For example, in Victoria the State Secretary, Jim Maher employed the first national Research Officer, Joe De Bruyn who subsequently went on to become a long serving Federal Secretary of the union. Like his counterparts in NSW, De Bruyn also had a professional background and was university educated (Interview: Jim Maher and Joe De Bruyn, March 1974).

While these changes had significant benefits for union members, and considerably enhanced the profile of the new leadership team, differences began to emerge between the NSW branch and other state branches. One cause was the growth in the use of part time and casual staff that was a by-product of the roster system. In one of the major retailers (Grace Brothers), it was determined that a peak period for sales was between 10 am and 2 pm on weekdays. As a trade-off for giving full time staff a long weekend every second week, the union did not object to the company employing a significant number of casuals to work these peak hours. It provided an opportunity for women with school age children to return part time to the workforce, as the schedule fitted with school hours. However, it was also a precedent for the subsequent major increase in the use of part time and casual employees in the industry generally. This action was questioned by officials in other states. There had been a tradition of full time, career employment in the Australian retail industry to this point and this was strongly supported by union officials in the other states who had generally risen from the ranks of full-time shop assistants. They believed that the significant employment of casuals in NSW would lead to a breakdown in career-long employment in the industry and would not be in the long-term interests of full-time staff. It was perceived outside NSW that the main advantage for Egan of his support for the extension of casualisation in the industry was that the increased membership numbers

would lead to the increased voting strength of the union within the ALP. Thus Egan was seen as putting the potential for greater influence of the union within the ALP ahead of the long-term interests of its members (Mortimer, 2001a; Interview: Brian O'Neill June 2013; Interview: Jim Maher and Joe De Bruyn, March 1974).

These differences gradually became much more pronounced as evidenced by negotiations in 1974 between Egan and the long serving NSW Secretary of the Australian Workers' Union, Charlie Oliver, that led to the amalgamation of the NSW retail union with the AWU in that state. This decision, which was not asked of members but made by the executive of each union, reinforced the concerns of officials in other states that Egan was more interested in political influence within the ALP than in protecting the career employment of retail employees. It also heralded the beginning of the breakdown of the relationship between Egan and O'Neill in NSW, as the negotiations between Egan and Oliver were conducted without O'Neill's knowledge and he was only advised after their conclusion (Interview; Brian O'Neill, June 2013).

In the face of increasing opposition from officials in other states to his policies in NSW, and his mounting differences with O'Neill, outside the SDA structure Egan sought links with other unions. This is consistent with a strategy of developing a power base within the ALP and using the union to facilitate this, and may have also been influenced by increasing opposition within the union generally to Egan's actions. Within a couple of years of the AWU amalgamation, Egan announced a further amalgamation, this time with the NSW Building Workers' Industrial Union (BWIU). This precipitated a final breakdown in his relations both with O'Neill in NSW and with the union nationally. O'Neill advised the then national secretary, Jim Maher, that he would no longer support Egan, and a strategy was worked out for the national office, with the other state branches, to provide both financial and staffing support for O'Neill to challenge Egan. Traditionally, the union had used separate state registered unions as its main operating bodies, and had a federally registered union mainly for the two territories, with largely dormant state branches. In NSW, while Egan had been elected Secretary of the NSW registered union, O'Neill had been elected Secretary of the NSW branch of the federal union. This branch was activated and used as the vehicle for O'Neill, with the support of the other states, to challenge Egan (Interview; Brian O'Neill, June 2013).

Egan's main support from employers came from his good relations with officials in the employers' association, the RTA. However, this proved insufficient to counter the views of the individual retailers, and ultimately significantly reduced the influence of the RTA with the major employers in the

industry. The O'Neill camp approached employers for their support. There had been some unease from employers about the initial amalgamation with the Australian Workers' Union (AWU), though this could be at least partly overlooked on the basis that the AWU had long standing coverage of retail employees in northern Queensland. However, the BWIU amalgamation could not be viewed in the same way. It would be understandable for employers to become concerned with perceptions of left wing militancy in the BWIU and how this might impact on its policies in the retail industry. It was perceived by employers that Egan had lost touch with the industry and was more concerned about building a power base within the ALP. With national support, O'Neill was able to persuade the major employers to withdraw support from Egan, and redirect it to the O'Neill state branch.

As well as O'Neill obtaining support from the major retailers by encouraging their staff to sign up to O'Neill's breakaway state branch, full time organisers from some of the other states came to NSW for several months to visit the major retail workplaces and encourage union members to support the new state branch of the union, and to work on NSW activities and issues while O'Neill worked to rebuild a new organisational structure in the state. The result of the challenge to Egan's final union merger was that almost all of the members in NSW defected to the NSW branch led by O'Neill and the major employers only dealt with this union. Ultimately, a legal challenge to the original union merger in NSW between the state registered SDA and the Australian Workers' Union was upheld, and Egan left the union (Interview; Brian O'Neill, June 2013).

## **DISCUSSION**

This section focuses on the key questions for our paper: Can the Egan/O'Neill leadership be characterised as transformational? if so, did it 'make a difference'? and what can be learned from the model of transformational leadership proposed here? The key themes identified in the literature will be addressed in answering these questions.

There is evidence that the basic aspects of transactional leadership were present and effective. This can be seen in the Egan/O'Neill team developing the campaign to sign a membership agreement with the major retailers of the time which gave the union financial security and the ability to employ more organisers to deal with minor member issues, as well as more industrial and research staff. The secure membership and financial base also allowed the union to exercise much greater control over its ongoing activities than was possible when the union had a small membership base which in part depended on the grace and favour of some of the larger CBD stores, and as a result of

which the union's focus was on immediate issues rather than broader matters of strategic change.

The development of the job delegate network reflected moves to foster mutual trust and a strategy of encouraging members to make sacrifices to support the organisation. Prior to the new leadership and the introduction of the membership agreement, the union had found it almost impossible to develop such a functioning network of job delegates, given the low membership level, very high turnover rates in the industry together with the limited funds that could be used to employ full time organisers to recruit and provide support for delegates (Mortimer, 2001a and b). As noted above, this had led to a situation where there were widespread minor Award breaches. However, as a consequence of the moves to expand membership and influence of the union as documented above, the improved finances of the union financed more organisers who could then foster the development of a network of delegates. These delegates were then encouraged and supported by their respective organisers to various workplace specific issues. This involved their challenging for the first time their managers and the predominant industry-wide 'merchant ethic' in the industry. As a result, a number of employee grievances were successfully resolved, providing further encouragement to those undertaking the delegate role. As already noted, the union leadership was also able to elicit the support of those company managers assigned responsibility for industrial relations and personnel matters. This often led to the development of a formal grievance procedure in the company.

Shared ideas, issues, values, goals and commitment can be seen in the union's response to the issue of working hours. As discussed earlier, one of the key issues for both staff and the industry generally was the fact that employees were required to work a five and a half day week. Prior to the Egan/O'Neill leadership, the union had adopted a policy of attempting to persuade the NSW Industrial Commission to impose Saturday closing on retailers, something that the Commission had consistently refused to do on the grounds of public interest. Retailers wanted to increase trading hours, and the new union leadership supported this provided the major retailers introduced any new arrangement in the context of a roster system with a five day week for full time staff. The new union leadership used their influence to pressure a majority of the six major retailers to agree to this roster system (Mortimer, 2001b). This achievement encouraged members to identify with the unions' values and goals and increase their commitment. This was particularly marked in Grace Brothers, where the company's roster system provided full time staff with a long weekend off every second week. However, the growing identification of members with, and commitment to the union also arguably

influenced other stores, such as David Jones (which had initially introduced a more complex six week roster) to follow suit (Mortimer, 2001b).

In the case of the SDA, the promotion of social identification and collectivism of members and loyalty to the union provides a challenge. Full-time shop assistants tended to see themselves as white collar having the potential to move into management (a view reinforced by the large 'chain of command' with copious minor supervisory or management roles), and so traditionally identified with the company rather than with the union. This would have been reinforced both by the union's traditional lack of success on key issues such as the five day week, and also by the high levels of turnover in the industry. However, the achievement of a five day week with a favourable roster system, and the workplace level achievements of the job delegates' network had influenced attitudes. The extent of this change can be seen in the success of the union's major campaign on wages in 1974, which led to the first major strike by shop assistants in NSW, which had these employees filling the Sydney Town Hall for a stop work meeting in May of that year (Interview: Michael Johnstone, June 1974).

In terms of the use of personal power or charisma by the leadership team, this can be seen in their gaining support from the full time staff in NSW. For example, Michael Johnstone, then Industrial Officer for NSW, admired Egan's energy, persistence and ability to achieve outcomes, even though he did not always agree (such as when full-time staff, such as he, were excluded, from nominating for elected positions in the union) (Interview: Michael Johnstone, June 1974). It could be argued that Egan's personal power could be attributed as much to his success in obtaining desired outcomes as by his personality, in much the same way that Bob Hawke displayed charisma and personal influence in his time as ACTU President through his ability to solve 'unsolvable' disputes. In the case of Egan, this charisma and personal influence may have helped him win over those who did not agree with his decision to merge with the Australian Workers' Union, but could not ultimately sustain support for his proposal to merge with the Miscellaneous Workers' Union.

The Egan/O'Neill leadership team had a strong external focus, as well as a strategy centred on expanding membership support and their identification with the union. An early example of this is their involvement with the ACTU proposal to launch a membership campaign in the retail industry. Generally at that time, union campaigns for compulsory membership arose when a union already had a significant majority of employees as members who were active supporters of the union. In such situations, these unions were in a position to pressure individual employers.

However, membership of the Shop Assistants' Union in NSW in 1968 was very small, at just over 5000, and as noted, most full time shop assistants were more likely to identify with the company for which they worked. The success of the ACTU campaign therefore rested on a different strategy. The Shop Assistants' Union needed to work with other stronger unions who could use their industrial strength to support the campaign. In NSW, this resulted in the new leadership working with the Transport Workers' Union to threaten a trucking blockade of the Roselands shopping mall in Sydney, a threat that placed considerable pressure on Grace Brothers which both owned the centre at the time and had the anchor department store. In Victoria, it involved working with the Shipping Clerks' division of the Waterside Workers' Federation in proposing to refuse to sign off merchandise being shipped to David Jones in Tasmania. (Balnave & Mortimer, 2005) As well as developing more external links in the broader union movement, the new leadership also worked to establish direct relations with the Retailers Association, and with major retailers such as Woolworths, Grace Brothers, Myer and David Jones. Initially these links were developed by both Egan and O'Neill, but over time, Egan concentrated more on links with the RTA and O'Neill with the companies directly (Interview: Brian O'Neill, June 2013).

However, while this external focus was initially a key characteristic of the transformational leadership in the union, some of their achievements, (for example the rostering arrangements described above), began to arouse concern amongst officials in other state branches of the union. As previously noted, the new rosters included an agreement between the union and the retailers to increase significantly the number of casuals allowed in the industry. Many of the officials had previously worked as full time shop assistants in an era when employees in larger stores were generally male and worked their way up 'through the ranks' in an informal type of apprenticeship system. The agreement to increase casualisation was seen as the thin end of the wedge, potentially leading to deskilling and a breakdown of full time career-long employment as the cornerstone of the industry (Interview: Jim Maher, December 1973). There was increasing concern that Egan in particular, was more interested in gaining influence within the union movement generally, and within the ALP, than in the interests of members. This concern increased significantly with the merger of the NSW state union and the Australian Workers' Union in NSW in 1974, leading to legal action and the amalgamation collapsing in 1977, the same year in which Egan announced the amalgamation with the Building Workers' Industrial Union. When O'Neill split with Egan, the other states, now openly opposed to Egan, supported O'Neill to take control of the union in NSW. In effect, Egan's external focus was seen as too far from member interests, and led to his undoing. Egan's external focus with employers had also narrowed to the RTA, whereas O'Neill had good relations

with a range of company managers (Interview: O'Neill, 2013; Australian Workers' Union Timeline Information Sheet, nd).

It can be seen from this discussion that the SDA satisfies the criteria of transformational leadership identified in the literature, and drawn together in our framework. In our view, this framework provides a useful and convenient lens through which to evaluate whether and to what extent this union's leadership would qualify as transformational.

Of more general relevance, these characteristics of transformational leadership are reflected in unions as organisations and affect their ability to maintain their relevance and grow. This promotes the question of whether transformational leadership can make a difference to members of a union, not just to the organisation that represents them. In the case of the SDA, the evidence suggests that transformational leadership did benefit its members as well as the organisation. In building a stronger organisation with an expanded and deeper membership base, better resourced and financed, the union had sufficient influence to work with key employer interests to finally provide its members with a five day working week, and in many cases also providing for a long weekend around every two weeks. The union was also able to introduce a network of job delegates and push for formal grievance procedures in the major companies, which led to the resolution of numerous workplace grievances, minor in the broader scheme of things, but very important to the employees involved. The union was also able to achieve a significant pay increase for members during its 1974 wage campaign (Mortimer 2001a and b; Interview: Michael Johnstone, June 1974).

## **CONCLUSIONS**

In this paper we reviewed the literature in order to draw out the key characteristics of transformational leadership in trade unions, and distilled these elements into a framework for analysis. We then examined the case of the Shop, Distributive and Allied Employees' Association in the 1970s (SDA) using this framework. We have shown that the SDA demonstrated all of the characteristics of transformational leadership identified in the literature and demonstrated the framework as providing a convenient way of analysing the SDA case. In our discussion of the achievements of the SDA in this period, we have also shown that, in the case of the SDA, the transformational leadership of the Egan/O'Neill team did make a significant difference, both in terms of the union as an organisation and in terms of the outcomes that it was able to achieve for its members.

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### **Interviews**

Brian O'Neill, formerly NSW Secretary Shop, Distributive and Allied Employees' Association, June 2013

Jim Maher, Victorian Secretary, SDA, December 1973

Jim Maher and Joe De Bruyn (then National Research Officer SDA), March 1974

Michael Johnstone, Industrial Officer, SDA (NSW), June 1974

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