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Are Labor Union Representatives Agents or Stewards?

An exploratory study regarding the governance of labor unions

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Abstract

Background & Problem: During recent years there have been disclosed instances of labor union representatives wrongfully using the members' funds. Considering the nature of the labor unions this kind of behavior is surprising, and therefore there is an interest in what motivates these representatives in their actions. Agency theory and Stewardship theory suggests two opposing views of corporate governance and motivation. The authors of this study attempt to contribute to this discussion by exploring the environment within labor unions.

Purpose: The purpose of this study is to explore whether the management representatives within labor unions are acting as agents or stewards as well as whether they are perceived as such in the eyes of the members.

Method: This study is based on a deductive research approach using a qualitative research strategy. The primary data was collected through semi-structured interviews from representatives of the unions as well as members of the unions. This was complemented with information from the websites and documents from the labor unions. A thematic analysis approach was used to analyze the findings.

Conclusion: This study concluded that the representatives of the different labor unions are leaning more towards acting as stewards rather than agents and that they are perceived as such by the members. The authors found that there was a lot of focus on member recruitment and the importance of recognizing what type of relationship that exists.

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1. Introduction

The introductory chapter will present a background to the research as well as a problem discussion. Furthermore, the purpose and the research question of the study will also be presented.

1.1 Background

In 2008 it was revealed that Bernard Madoff, a man with a long and respected career on Wall Street, had built his investment business on a web of elaborate tricks and lies. Madoff had during many years swindled a lot of people out of billions of dollars. For outsiders, it seemed that Madoffs investment business had flourished during the years. However, it turns out that Madoff had taken the money from the investors and reported fictitious returns, and used the money invested by the new customers to pay dividends to the previous customers. Madoff had sacrificed the interests and long-term wellbeing of many individuals for his personal gain and welfare (Fortune, 2009).

During recent years there have been a lot of reveals by media about different labor unions in Sweden using the members' funds to pay for different expensive trips and other festivities for the management of the labor unions. At the end of 2018, the Swedish labor union Transport was revealed to have spent 600 000 SEK for 12 representatives to attend an international conference in Singapore. The representatives were staying at luxury hotels and were flying business class for an estimate of 25 000 SEK per person. Even though multiple of them began the trip with an individual private vacation. One representative only returned seventeen days after the conference (Aftonbladet, 2018). This happened one year after the previous chairman of Transport Lars Lindgren resigned after it was revealed that he had spent an excessive amount on alcohol and luxury dinners during representation dinners for the organization (Aftonbladet, 2017).

At the beginning of 2016, it was revealed that the labor union Kommunal had invested in a pub that had been reporting a loss in 2012 of 114 million SEK. They had also invested in a conference facility which included two additional restaurants (Aftonbladet, 2016). It was also revealed that during some time management members of the organization, including the

chairman at the time, Annelie Nordström, had spent their summer vacation at the organizations' conference facilities in the Stockholm archipelago without paying for their visits (Aftonbladet, 2016). This led to an outrage among the members of the union who demanded the resignation of the chairman after almost 10 000 members terminated their memberships within a week after the scandal was publicly unveiled (Aftonbladet, 2016).

The behavior of using economical resources given by trusting investors and members for personal gain and other questionable investments that are expressed by Madoff and the labor union chairmen can be explained by agency theory that was developed by Jensen and Meckling (1976). Within agency theory, the model of man is rational actors who are always trying to maximize their self-interest (Eisenhardt, 1989; Jensen & Meckling, 1976). The agreement within the agency problem is between a principal which is the owner of some sort of equity of which the agent has been given control to manage (Jensen & Meckling, 1976). The agency theory is based upon the agency problem that arises when different parties enter an agreement to cooperate but have different goals and it is difficult or expensive for the principal to control what the agent is doing (Eisenhart, 1989). Since, according to agency theory, the model of man will seek to maximize their self-interest the agent will prefer to optimize their gains even if this would mean sacrificing the benefits of the principal (Jensen & Meckling, 1976). To control the agents' self-interest, the organization can invest in information systems such as a board of directors or executive compensation contingent upon performance (Eisenhart, 1989).

As a counter view of the agency theory, the stewardship theory was introduced. Within the stewardship theory, the model of man is focused on benefiting the collective or the organization rather than individual and self-serving gain (Davis, Schoorman, & Donaldson, 1997). An assumption with the stewardship theory is that it is in the best interest of the principal that the organization increases performance and since the steward makes actions that will benefit the organization in the long term both parties' interests will be aligned. According to the stewardship theory, the stewards will be more driven and motivated by feelings of responsibility and recognition. As such, control mechanisms that are used within the agency theory to make sure that the agent is pursuing actions that are beneficial to the organization, may not only be unnecessary but also counterproductive (Hernandez, 2012).

1.2 Principal- steward/agent relationship

Van Puyelde, Caers, Du Bois & Jegers (2012) states that in a non-profit organization there can be several different combinations where there can occur a situation where principals delegate some form of resources to the organization or have some sort of interest in the organization both internal and external. For example, donors provide economical resources to a non-profit organization become principals since they have delegated their decision-making authority to the organization which in turn then becomes either a steward or an agent. As such the organization has control over how these resources will be spent which might deviate from what the donors believe. Another example is the consumers, clients, and members of the organization which faces an informational disadvantage as well as the inability to accurately evaluate the performance of the organization and the quality and quantity of their services. As such a situation arises where the consumers, clients, and members become principals and the organization becomes an agent/steward (Van Puyvelde et al., 2012).

There can also occur in internal situations where a principal-agent/steward relationship exists. One example of this is where the managers within the non-profit organization will act as principal and the employees will act as agents/stewards. In this situation, the manager is dependent on the output that the employees are generating towards the organization and thus enters into a principal situation where from an agency perspective he/she would align the interests of the employees using extrinsic rewards and from a stewardship perspective, the manager would instead focus on more intrinsic rewards such as satisfying tasks that are aligned with the goal of the organization (Van Puyvelde et al., 2012).

The members of a union provide a member-fee to receive the services of the organization. They provide economic resources but have delegated the decision-making process of what the funds will be used for. They are also depended on the quality of the services that the union provides. In return, the union is expected to look after the interests of its members. In this study the members are defined as principals of the union and the union is defined as either an agent or a steward. Since the union is an entity and cannot possess the characteristics of an agent or steward alone, this study will examine whether the managers and board members are exhibiting these characteristics instead.

1.3 Problem

The basis of non-profit organizations is that they place an expectation on the employees to work for the mission of the organization instead of the paycheck (Brown & Yoshioka, 2003). Furthermore, the non-profit organizations generally pay less than for-profit organizations (Brown & Yoshioka, 2003; Faulk, Edwards, Lewis & McGinnis, 2013; McGinnis-Johnson & Ng, 2015). As such, considering that the non-profit sector has become increasingly more reliant on paid professional staff, they now face competition from profit organizations to attract and retain their employees (McGinnis-Johnson & Ng, 2015).

Even though the work performed by non-profit organizations can be considered as particularly meaningful, non-profit organizations can possess challenging work environments that are sometimes understaffed and underfunded. Further issues such as compensation constraints, employee burnout, and lack of advancement opportunities could cause the workers to become dissatisfied and leave their position within the organization (Stater & Stater, 2019). The use of incentive pay for CEOs, such as bonuses, within non-profit organizations is associated with profitability as well as greater competition from other nonprofit organizations. However, it was also associated with a decrease in future donations which indicates that donors look unfavorably at the payment of bonuses (Balsam & Harris, 2018). Relating this to labor unions today, it exists difficulties in being able to retain important employees due to the nature of non-profit organizations, and if they are able and willing to provide bonuses to important workers they might face backlash from the members similar to the reaction of donors.

Previous studies (Caers, et. al, 2006; Cornforth, 2004; Miller, 2002) have sought to apply the relevance of agency theory to the governance of non-profit organizations as well as specific relationships within the organizations such as boards and executives. However, a key limitation of agency theory when applied to the nonprofit sector is that there is a lack of clarity of who the principal is and who the agent is. On the other hand, lies the stewardship theory which assumes that the agents' interests are generally aligned with the principals, as such the success of the organization can be achieved without the need for incentives or monitoring. Thus, this approach is appealing for many researchers to better explain the nature of the work of those within non-profit organizations (Cornforth & Brown, 2014). However, Twenge & Kasser (2013) stated that there has been an increase in the materialistic mindset and Millennials have a preference for extrinsic rewards. Millennial managers in non-profit

organizations and those with high education have also shown that pay influences their intention to switch sectors (McGinnis & Ng, 2015). As such, one could see that there exists a complex area that warrants more research.

In 2006 Caers et.al stated that further research is needed to investigate the agency and stewardship theory relationship between different stakeholders within the non-profit sector, such as the manger- employees relationship. Since then, articles have been published within the field expanding the research area further. Jergers (2008) found that depending on if the employees performed core or secondary tasks, they showed different levels of commitment to the non-profit organization's mission. In addition, McGinnis Johnson and Ng (2015) examine whether non-profit organizations have a bigger issue to hire and retain employees specifically millennials due to low wages. Similar studies have investigated the relationship between job satisfaction and commitment to the non-profit organizations' mission (Akingbola & van de Berg, 2019; Newton & Mazur, 2016; Emhan, 2012; Vecina et.al, 2013). However, there has not been any prior research on stakeholders within labor unions connected to agency and stewardship behavior. Hence this study will explore whether the management of labor unions is acting as agents or as stewards. As well as if the members perceive management as agents or stewards.

This study contributes to the current field of agency and stewardship theory in a non-profit organization. This is performed by interviews with labor union management and members, in order to conclude whether management of labor unions indicate agent or stewardship behavior and whether members recognize this behavior. The results of this study will be of interest to employees, leaders, and members within the labor unions. As well as future scholars investigating the agency and stewardship perspective on labor unions.

1.4 Purpose and Research Question

The purpose of this study is to explore whether the management representatives within labor unions are acting as agents or stewards as well as whether they are perceived as such in the eyes of the members. Hence, the research questions are as follows:

1. To what extent do labor union management representatives' express agent and/or steward type behavior?
2. Do the members perceive the management representatives as agents or stewards?

2. Theoretical framework

This chapter will provide the reader with a deeper understanding of the theories that lies as a basis for this study which is the agency theory and the stewardship theory.

2.1 Agency Theory

The agency theory is an important theory that at the same time is a controversial theory. The agency theory has been well applied in different contexts because of its contributions and insights to organizational theories, information systems, outcome uncertainty, incentives, and risk (Eisenhardt, 1989).

The agency theory has been used by scholars in accounting, finance, economics, political science, organizational science, and sociology. Even though the theory has been used and applied in many contexts the theory has received its fair share of criticism and controversy. The proponents of the principal agency theory argue that a revolution is at hand and therefore the foundation of such a powerful theory as the agency theory is being put into place. The detractors of the theory calls are trivial, dehumanizing, and dangerous (Eisenhardt, 1989).

If we go back to the 1960s and the early 1970s, some economists explored the risk-sharing among individuals or groups. The risk-sharing problem was described in the way that it occurs when cooperating parties have different attitudes towards the risk. The agency theory in this context broadened this risk-sharing problem to include the agency problem that arises when the cooperating parties have different goals and division of labor. More specifically the agency theory is detected in the ubiquitous relationship where the principal delegates work to the agent who is supposed to perform that work. The agency theory has been developed to describe this relationship between the principal and the agent and to resolve two problems that may occur in agency relationships (Eisenhardt, 1989).

The first one is the agency problem that occurs when firstly the goals or the desires of the principal and the agent conflicts and secondly it is expensive or difficult for the principal to verify what the agent is doing. As we can see the problem here is that the principal cannot control or verify that the agent has behaved appropriately. The second problem of risk sharing that occurs is when the principal and the agent have different conceptions of the risk. The

problem here is best described in the way that the principal and the agent may prefer and take different actions to achieve the desired outcome because of the different preferences they have towards the risk (Jensen & Meckling,1976; Eisenhardt, 1989).

The focus of the agency theory is on finding the most efficient contract governing the principal-agent relationship when given certain assumptions about people such as self-interest, risk aversion, and bounded rationality. But also, assumptions about organizations as if there are goal conflicts among the members and assumptions about information, for example, if the information is the same as a commodity that may be purchased (Eisenhardt, 1989).

The agency theory has its roots in information economics, and it is stated that the theory has been developed along two different lines, the first one is called the positivist agency theory and the second one is called the principal-agent theory. The two different streams are similar in the way that they both share a common unit of analysis which is the contract between the principal and the agent. The two streams are also similar in the way that they both share common assumptions about people, information, and organizations. The difference between the two streams is in their mathematical rigor, style, and their dependent variable (Eisenhardt, 1989).

The agency theory focuses on the importance of incentives and self-interest in organizational thinking, the agency theory states that most of the organizational life is based on self-interest. When it comes to organizational thinking, agency theory makes two different contributions. The first contribution is how information is looked upon and treated, in the agency theory the information is regarded as a commodity which means that it has got a cost and that it may be purchased. The second contribution of the agency theory is its risk implications. There is an assumption that organizations have uncertain futures and that the future may or may not bring bankruptcy, prosperity, or some in-between outcome. It is said that the organizational members can only do so much and that the future of the organization is only partially controlled by the organizational members. There are a lot of other factors that need to be taken into consideration such as government regulations, the emergence of new competitors in the market, and technical innovation (Jensen & Meckling,1976; Eisenhardt, 1989).

To conclude the agency theory works as a complement to the organizational theory and the agency theory ideas on the outcome of uncertainty, information systems and risk are contributing to organizational thinking. The agency theory help and provides a solution to the

confusion surrounding the theory and this may lead to organizational scholars to use the agency theory in their studies and reports of the wider range of principal-agent relationships and problems that may occur in firms and organizations (Eisenhardt, 1989).

The article written by Jensen & Meckling (1976) describes that millions of individuals voluntarily entrust billions of dollars into corporations and invest a lot of time and money into the companies and they demand a return from the managers in the way that they will take care of the company and put the corporations' interests first. The article states that until now creditors and investors have not been disappointed with how the managers run the corporations and how the companies have rewarded the lenders and investors by entrusting them with their money, but despite the good results the agency costs exist in the corporations. The level of agency costs depends however on many factors, such as on common and statutory law and human ingenuity in devising contracts.

2.1.1 Characteristics of an agent

In the article written by Albanese, Dacin & Harris, (1997) the agent is someone whose interest does not align with those of his or her principal. The article explains that an agent is focusing on short-term results and does not have a long-term perspective in mind when doing business. The agent would rather focus on short term results even though it might be worse off in the long run.

The agent is described as someone dependent on extrinsic rewards to be able to perform at his or her highest level and to deliver results. In other words, the agent is someone who is extrinsically motivated. The agent is believed to be driven by extrinsic rewards such as monetary bonuses to increase their performance (Albanese, Dacin & Harris, 1997).

The last characteristic of an agent is someone who has an individual mindset and always prioritize themselves. The most important thing is that they benefit from their actions. They will prioritize their own gain over the benefits of others if given the choice (Albanese, Dacin & Harris, 1997).

2.2 The stewardship theory

2.2.1 Defining stewardship

Previous literature has had different types of applications of what stewardship means. Contrafatto, M. (2014) attempted to map out the different approaches of stewardship. Analyzing existing literature within finance, management, and accounting the following approaches were introduced.

Stewardship as a synonym of conventional accountability/responsibility

This approach has its foundation upon accounting and finance literature. Where there is a stewardship demand for information, meaning that the owners (shareholders) require this information to evaluate and control the actions of the management of their financial and economic resources. Within this approach the focus lies upon the information provided in the financial statements and that the provision of this information is explained by stewardship behavior. In essence, the stewardship behavior is a synonym for the accountability that the organizations have towards their owners, in showing how the resources have been used and for what purpose (Contrafratto, 2014).

Similarly, within financial literature, stewardship behavior is used as a mechanism of financial decision-making. Where the stewardship-based behavior is defined as a dutiful and diligent agent which have undertaken the responsibility of managing others' resources and finances on their behalf. Managing these resources with respect and responsibility as an efficient caretaker will, in turn, ensure the integrity, stability, and soundness of the markets and financial institutions (Contrafratto, 2014).

Stewardship as a normative foundation for business undertakings

This approach has its foundation from theology, where there have been arguments that spirituality can play a role in financial decision making (McCuddy & Pirie, 2007). Where stewardship is used as a framework for corporate environmental responsibility and common ground on which the central issues of environmental responsibility can be based upon

(Contrafratto, 2014). According to Mcuddy & Pirie (2007), stewardship has the following attributes:

1. A steward utilizes his/her abilities to their fullest potential to make a positive contribution to society, benefiting both the current and future generations
2. A steward nurtures the interpersonal relationship and has a sense of empathy and love for others
3. A steward utilizes economic resources to benefit the current generation and simultaneously preserves the potential of meeting the demands of future generations
4. A steward utilizes natural resources to benefit the current generation and simultaneously preserves the resources and environment to meet the demands of future generations

The basis of this approach is that human beings have been given a role by God to steward the creatures and creations that he has given the world. Furthermore, this has to be considered within business decision-making in order uphold their role as members of society as well as not to be involved within any ethical or legal issues that will lead to the decrease of the value of the firm (McCuddy & Pirie, 2007; Contrafratto, 2014).

Stewardship as a model of governance and organizational leadership

Within this perspective, stewardship is used as a conceptual framework for corporate governance that can explain the relationship between managers and shareholders as well as other stakeholders. This approach believes that the organizational actors take responsibility for the consequences that their actions have on their stakeholders' welfare. It also entails that the management as stewards has a focus upon building a relationship and focus on others' long-term welfare. Also, the steward has a moral obligation to act in a way that fulfills the interests of the principal (Hernandez, 2012). By performing such actions, the stewards are believed to fulfill the objectives of the organization and have a focus on doing what is best for the collective rather than individualistic gain. In a sense, this approach is more restricted than the previous theological approach, when considering the number of subjects that are involved, but is broader than the finance and accounting approach where stewards are used as a synonym for accountability (Contrafratto, 2014).

2.2.2 Stewardship characteristics

Stewardship theory was developed during a time where the business policy and organization theory had been heavily influenced by agency theory, which depicts the managers of corporations as agents which interest diverge from the interests of their principals, the shareholders and both parties are utility maximizers (Davis et al., 1997).

According to Davis et al. (1997), the stewardship theory draws its roots from psychology and sociology and was designed to examine situations in which executives would be motivated to act in the best interest of their principals and would thus act as stewards. The authors state that within the stewardship theory the model of man is founded on a steward that values behavior that is collectivistic and pro-organizational higher than behavior that is individualistic and self-serving. The steward opts to perform actions that are in line with the interest of his or her organization when given a choice between self-serving and pro-organizational behavior. As well as behave cooperatively and would not substitute self-serving behaviors for cooperative behavior. Considering that the steward values cooperative behaviors and act accordingly stewards are to be considered as rational.

According to the stewardship theory, since the steward's behavior is collective and seeks to attain the objectives of the organization, it will benefit the principals due to the assumption that the principal's satisfaction is linked to the performance of the organization. A steward would as such be protecting and pursuing the interests of the principal through the performance of the organization (Davis, et al., 1997). The assumption is that the stewards recognize their fiduciary obligations to protect the interests of stakeholders and have a moral obligation to pursue them (Hernandez, 2012). In our case, this would mean that the people within the labor union management as stewards, work towards the goal of the labor unions to improve working conditions, salaries, etc. for the members of the unions. This is beneficial to the members as principals since this is aligned with their interests.

As opposed to the agency theory, the stewardship theory focuses more on intrinsic motivation rather than extrinsic motivation. Extrinsic motivation is driven by rewards of tangible commodities that have measurable value, such as monetary bonuses for example. These rewards are the basis for the control mechanisms within the agency theory. However, in stewardship theory, the focus lies upon the intrinsic rewards that are intangible and not easily quantified. These are rewards such as personal growth, affiliation, and self-actualization.

Receiving these types of rewards motivates the subordinates to work harder on behalf of the organization (Davis, et al., 1997).

Hernandez (2012) defines stewardship as to the extent an individual is willing to subjugate her or his interests to protect others' long-term welfare. Furthermore, Hernandez (2012) argues that stewardship behaviors are created by two psychological behaviors. Firstly, actions that benefit the long-term welfare of others are personally valued by individuals and their behavior is guided by the concern of others and long-term orientation. As such, when making a decision the individuals would place higher utility upon the ongoing needs of others and the gain of collective resources rather than personal gain. Secondly, individuals feel compelled to influence the collective positively due to a high sense of connection with the collective. The individuals' sense of obligation is generated partly by the emotional connection to the beneficiaries of their decisions. These factors are the basis of influencing the willingness of subjugating their interests to serve the long-term well-being of the beneficiaries. The beneficiaries of stewardship behaviors are the groups and people that the employees believe that their actions might have a positive effect upon, which could be the organization, its owners, or as in our case its members (Hernandez, 2012).

As Teh (2016) states, a steward is associated with the following characteristics: social, intrinsic, and long term. Where social is the instances where the interactions between individuals have a collective nature. Where the person in question expresses the sentiment that consideration should be given to the collective, such as colleagues, employees, or members for example. The person also identifies as a part of a group or organization. Intrinsic is the instances where a person receives motivation from within rather than from external factors such as rewards or the avoidance of punishment. Long term is the instances where the person focuses on pursuing actions that have a time frame of 1 year or more.

2.2.3 Communication

With the development of the stewardship theory, there was also a focus upon how a leader uses open communication towards its subordinates, demonstrating a leader's care and respect towards them which further establishes the trust (Hernandez, 2012). This approach of management is characterized as high participation and the focus lies upon empowering the workers and developing trust through open communication. In contrast to this approach lies the control-oriented approach which focuses upon separating the thinking and controlling part of the work from the doing part of the work. This approach is argued for generating better results

when short-term cost control and productivity are important issues. However, in the long-term, the uncertainty of labor costs and unemployment varies, and thus the results of applying the control-oriented approach also vary, and it is argued that the involvement approach is better (Davis et al., 1997).

The involvement-oriented management approach focusing upon generating the workers with training and empowerment for them to be able to themselves handle issues and risks that might occur, hence ultimately trust in the workers and willingness to be vulnerable in the context of a relationship is key. The control-oriented systems, however, strive to avoid vulnerability and therefore ultimately avoid the need for trust (Davis et al., 1997). For an involvement-orient philosophy, the leaders should demonstrate appropriate conduct through actions and interpersonal relationships whilst promoting such actions to followers through two-way communication, reinforcement, and decision making (Hernandez, 2012). Control-oriented management is, therefore, more likely to produce agency theory relationships whilst the involvement-oriented is more likely to produce stewardship relationship. (Davis et al., 1997).

3. Previous literature

This chapter will present the findings of previous studies done within this area of research. In order to properly provide this study with a frame of context.

3.1 Agents vs stewards

There have been several studies (Angwin, Stern & Bradley, 2004; Chrisman et. al, 2007; Martynov, 2009; Vega & Keenan, 2016) which have studied different situations exploring which of agency theory and stewardship theory who is applicable to a certain situation and relationship.

A study performed by Angwin et. al, (2004) explored the actions of the target CEO in a hostile takeover and whether there were attempts to change his fortunes or the company's as well as whether the actions were in the best interest of the stakeholders. The authors found that the CEO expressed the behavior of both agent and steward during the duration of the hostile takeover. Furthermore, the authors express that an important lesson to take away is that agency and stewardship might co-exist in some circumstances and be distinct in others. When these situations occur, it is important to consider whether the dialogue between the CEO and the board assumes a steward when the CEO is an agent and the other way around, this could cause a deteriorating relationship between the two parts.

Vega & Keenan (2016) investigated community forestry enterprises which are for-profit entities with additional goals of poverty alleviation, conservation among other things. However, even though these enterprises are supposed to be owned and governed by its members, the authors found that there are still agency threats in place especially when the management is embedded in the community.

Chrisman et. al, (2007) performed a study investigating agency and stewardship relationships within family firms. The authors found the occurrence of both agent and stewardship relationships, however, the results obtained were more supportive of the presence of agent type relationships.

These studies (Angwin et. al, 2004; Chrisman 2007; Vega & Keenan, 2016) show that even though the agency and stewardship theory are two distinct theories which are the opposites of each finding still show that there can exist components of both agency and stewardship

simultaneously even though one type of behavior might be more apparent. Similar to this, a study made by Van Slyke (2016) examining the relationship of public administrators contracting non-profit organizations showed that one could go from an agent type relationship to a steward type relationship the longer the relationship between the two parties has been.

As a response to the shortcomings of both of the theories, Grundei (2008) presented a new perspective for the design of corporate governance to overcome the theoretical tensions of the theories. According to Grundei (2008), the two theories are too one-sided and propose the use of different governance mechanisms from the different theories to be mixed together and thus create a more balanced governance system.

When considering these studies (Angwin, et. al, 2004; Chrisman et. al, 2007; Grundei, 2008; Martynov, 2009; Vega & Keenan, 2016) one could see that even both theories can be used as a basis for the governance mechanisms within organizations. However, the reality can express behavior and situations that are not covered just within one of the theories but rather a mixture of them or rather that people might be leaning towards one or the other side of the agent/steward spectrum.

3.2 Governance of non-profit organizations

Since non-profit organizations cannot compete with profit-driven organizations regarding pay for their employees (Faulk et.al, 2013), non-profit organizations instead endorse their mission to attract employees In light of these, multiple studies (Light 2002; Serra, Serneels & Barr, 2011, Park & Word, 2012) has found that employees within non-profit organizations in contact to the public and private sector are more motivated by intrinsic rewards. Such as, interesting work tasks, contribute to society, and help others (Andrade & Westover, 2020). However, studies have also shown that when given a choice employee within non-profit organizations favor extrinsic rewards, such as career advancement, wage, and work-life balance rather the intrinsic motivations (Lanfranchi & Narcy, 2006; Lanfranchi, Narcy & Larguem, 2010; Chen, 2014; Andrade & Westover, 2020). McGinnis Johnson and Ng (2015) investigate millennial employees within the non-profit sector. They found that millennials with higher education or in a manager position are more motivated by extrinsic rewards than other workers.

If workers are to work meticulously within a non-profit organization for what is to be considered low pay, they must be motivated by fulfilling the organization's mission (Kristof, 1996; Mason, 1996). Brown and Yoshioka (2003) found a positive correlation between job

satisfaction, mission attachment, and employees staying within the organizations. Tested within the non-profit sector. Furthermore, they also found that wage dissatisfaction overrules employee's commitment to the organization's mission.

The study made Park & Word (2012) focuses on the motivations of public and non-profit organizational managers whether they were driven by intrinsic or extrinsic factors. The authors found that the employees within both the public and non-profit sectors were significantly motivated by intrinsic factors such as the reputation of the organization and the ability to serve the public. Furthermore, the authors state that managers in the public sector also express that they are motivated by extrinsic rewards such as salaries. Thus, as Davis et. al, (1997) state about how stewards are motivated more by intrinsic motivations, this would indicate that non-profit managers are more like stewards and public managers would be more in between an agent or steward.

According to Brown & Yoshioka (2003), the non-profit organization focuses heavily on its mission to attract resources and work as a strong management tool for employee motivation. The authors found that the employees within non-profit organizations that felt a connection to the mission were happier with their work and expressed higher motivation. This is in line with the characteristics of a steward of being collective minded when feeling a connection to the mission and acting towards achieving this objective rather than their own agenda as well as being intrinsically motivated (Davis et. al, 1997; Hernandez, 2012; Teh 2016). Furthermore, Brown & Yoshioka (2003) found that the employees in non-profit organization perceived that they were being underpaid, and that full-time employees were less intrinsically motivated where the salaries they earned appeared non-competitive in comparison to other organizations. This is more the attributes of an agent in being motivated by extrinsic rewards such as salaries, and more focus upon the individual gain rather than the collective (Jensen & Meckling, 1976; Eisenhardt, 1989; Albanese, Dacin & Harris, 1997). However, the employees that have been employed for a longer period (18 months) also expressed higher mission attachment than those who have been employed for a short while. They also expressed that they were satisfied with their pay (Brown & Yoshioka, 2003). This relates to the theorized belief that stewards are more long-term oriented (Davis et. al, 1997; Hernandez, 2012; Teh 2016). However, the fact that the employees also must be satisfied with their pay shows that a person can have characteristics of both an agent and a steward.

In the research made by McGinnis-Johnson & Ng (2015) the authors did find that even though millennials tend to be attracted to non-profit work, the need for materialistic and extrinsic

rewards is being portrayed by millennials in managerial positions and/or highly educated millennials. However, millennial non-profit workers who were not in managerial positions or highly educated did not express any indication that pays influence their intentions to switch sectors. Furthermore, this result showed the challenges for non-profit organizations to attract and retain millennial managers due to low pay. Relating this to the theories this indicates that education and position within the organization can influence agent/steward type behaviour.

3.3 Summary and research model

The theories base themselves in the agency problem. The agency problem occurs when firstly the goals or the desires of a principal and an agent conflicts and secondly it is expensive or difficult for the principal to verify what the agent is doing. The problem here is that the principal cannot control or verify that the agent has behaved appropriately. The second problem of risk sharing that occurs is when the principal and the agent have different conceptions of the risk. The principal and the agent may prefer and take different actions to achieve the desired outcome because of the different preferences they have towards the risk (Jensen & Meckling,1976; Eisenhardt, 1989).

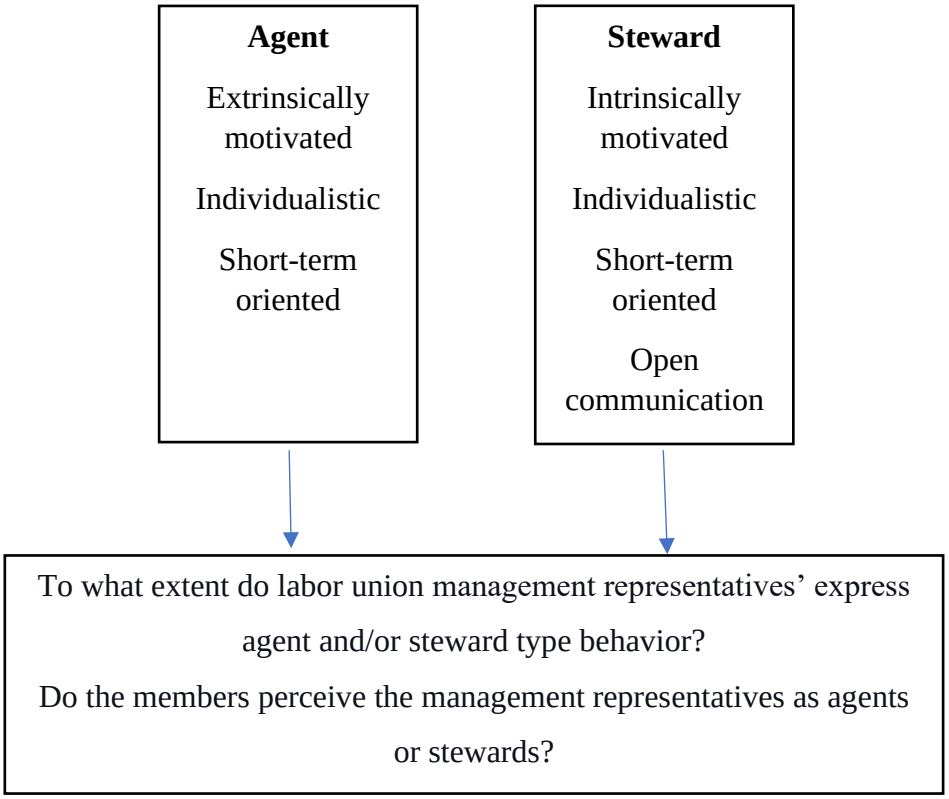
To deal with this problem, the agency theory promotes a view that the agent is only motivated through extrinsic rewards such as performance-based bonuses. It also assumes that an agent will, if given the choice, promote his/her own individual gain over the gains of others when given the choice. Furthermore, an agent is short-term oriented even though it might not be beneficial in the long run (Jensen & Meckling,1976; Eisenhardt, 1989; Albanese et al, 1997).

The opposite view is the stewardship theory depicts people as stewards rather than agents. A steward is more motivated by intrinsic rewards, such as self-fulfillment, interesting work tasks and contribution to society. A steward will also express social characteristics, promoting the benefits of others rather than their own personal gain. Furthermore, the steward is also long-term oriented (actions that have a time frame of 1 year or more). The stewardship theory also has a focus upon open communication and a high involvement between the different parties (Davis et al, 1991; Hernandez, 2012; The, 2016).

Previous studies within governance have shown both the presence of agents (Chrisman et al, 2007) and stewards (Vega & Keenan, 2016). These studies also showed that even though one might have the characteristics of an agent you can still possess some characteristics of a steward and vice versa. A study by Van Slyke (2016) also showed that a person can go from an agent to a steward with time.

Studies of governance within non-profit organizations have shown that non-profit organizations focus upon their mission to attract employees due to low pay (Kristof, 1996; Mason, 1996; Faulk et.al, 2013). Brown and Yoshioka (2003) also found that employees that have been with an organization show a higher mission attachment. Furthermore, studies have found that employees within non-profit organizations in contact to the public and private sector are more motivated by intrinsic rewards (Light 2002; Serra, Serneels & Barr, 2011, Park & Word, 2012). However, there are instances where these where extrinsic rewards can override this (Lanfranchi & Narcy, 2006; Lanfranchi, Narcy & Larguem, 2010; Chen, 2014; Andrade & Westover, 2020).

Research model



4. Methodology

This chapter will start with an introduction of the background to labor unions in Sweden followed by the research approach and the research strategy. This is then followed by the presentation of the data collection and the sample selection. Thereafter a section regarding ethical considerations will be presented under the research ethics. Lastly, a presentation regarding data analysis and data quality will be presented.

4.1 Background of labor unions

The Swedish labor unions have their origin in the industrial revolution in the 18th century, this is when the big companies started to employ a lot of people and the need for labor unions developed. The labor unions' primary goal was to protect the interest of the members. The need for labor unions arose because, at the time, there was a big gap between the managers and the workers, the employers, and the employees. In other words, there was an imbalance in the power relationship between the employers and the employees. The employers had all the power in the working environments. The employers could give extremely low salaries to the workers, they decided the working hours, and often the working hours were very long with very few and short breaks. Employers could also fire employees without probable cause. These were the reasons behind why the workers started to form groups with likely minded individuals and they understood very quickly that there is strength in numbers, they are stronger together rather than being alone (Ericsson, 2015).

There are different labor unions in Sweden regarding the specific profession the person has, so for example, if you are a teacher you could be a member of a labor union that is for the teachers and so on. This was more specific back in the day when the labor unions developed, so if you were a teacher for the middle school you had one labor union and if you were a teacher for the high school you had another labor union that you could be a part of. Nowadays that has changed, so today the labor unions are only for different professions, without the separation for the different levels in that specific profession (Ericsson, 2015).

In the year 2016, there were four out of ten workers that were not a part of a labor union in Sweden. Although there is an overall decrease in the number of members in labor unions there is a very clear decrease in the labor unions for workers and the labor union for the jobs in the

public sector. Between the years 2006 and 2016, the members of labor unions for the workers decreased from 77 percent of the overall members of labor unions to 62 percent (ARBETET, 2017; SVD NÄRINGSLIV, 2017; Dagens Arena, 2019).

A study conducted between the years 1990 and 2018 with a sample of 60,000 people between the ages of 16 and 64 shows that in the first quarter of 2018, 69 percent of the overall employees were a part of a labor union. Among the workers, there was a rate of 62 percent that were members in the labor union, and among the officials there was a rate of 73 percent that were members in the labor union, revealing a higher involvement in the labor union for officials than workers (Larsson, 2018).

Comparing the involvement in a labor union between the men and the women the study states that women are more involved in a labor union than men. Among the workers 63 percent were female and 60 percent were male. Looking at the ones working as officials, 76 percent were female, and 69 percent were male (Larsson, 2018).

Looking at some historical peaks the study explains that the highest rate for the workers that were a part of a labor union was the year 1995 with a rate of 88 percent. After 1995 the percentage rate has decreased by approximately one percentage point per year to today's rate of 62 percent. Among the officials, the decrease began in the middle of 1990 similar to the case of the workers, after the year of 2008 the decrease came to a halt for the officials and the percentage rate of 74 percent have stayed relatively the same (Larsson, 2018).

4.2 Research Approach

This study will be based on the deductive research approach which starts by drawing up a general statement or hypothesis from theory and testing this hypothesis in practice to confirm or reject the theory (Foltz & Overton, 1995). The deductive research approach is deemed to be the most fitting for this study. This is since the purpose of this study is to further contribute to the debate between the individualistic and incentivized based theory of agency theory against the collectivistic and internally motivated theory of stewardship. This study intends to contribute to the existing knowledge and debate of the two different theories by using two opposing theories of corporate governance in an attempt to confirm one of the theories. To relate the theories to the findings this study could also have used the inductive- or abductive approach (Patel & Davis, 2016). Considering that the purpose of this study is to examine which of the two theories apply to the current labor union representatives, it would not be as fitting to

use the inductive- or abductive- approach. Even though it could be interesting to use either theory and attempt to look for further explanations and confirmations of the theory it would not serve the purpose of the study. When using a deductive approach one issue is that the authors can be too constricted to the theory in their research and might overlook observations that are not included in the theory. However, considering the purpose of the study, the need for strict outlines and attachments to the theories is necessary to be able to observe indications of the theories. This further implies that the deductive approach is the most fitting for this study.

4.3 Research Strategy

This study is an exploratory study of the governance of labor unions and the perceptions of these organizations. To fulfill the purpose of this study a qualitative approach will be used which offers a more in-depth analysis and understanding of the problem by deriving from smaller samples and more analytical conclusions and discussions (Hartley, 1994). More specifically a thematic analysis is conducted to investigate if the managers of the different labor are stewards or agents. Thematic analysis is an appropriate method to use when investigating patterns of meaning (themes) within a set of qualitative data (Clarke & Braun, 2017). When combined thematic analysis and deductive approach means that the researchers study the data in light of the theoretical framework (Baun & Clarke, 2006). In this study, the themes studied are agency and stewardship behavior which are based on agency and stewardship theory. Thematic analysis has gotten some critic. It has been described as a flexible approach which leads to inconsistency in the analysis of the data (Holloway & Todres, 2003). The researchers are mitigating this risk by systematic analysis of the data in the light of pre-determined themes.

The option would be to use a quantitative approach that proceeds from statistical numbers which are derived from larger samples and would increase the generalizability of the results in this study. The qualitative approach is deemed more suitable since the main question of this study revolves around the subjective standpoint of the managers of the labor unions in the regard of being stewards or agents. The qualitative approach enables a collection of more developed and detailed answers, since the purpose of this study is about the views, perspective, and thoughts of the managers and the members a qualitative approach is more fitting (Hartley 1994).

This study has conducted semi-structured interviews to collect data for the research questions to move forward with the study. Meaning the data for this study were collected from primary sources since interviews were conducted with different employees and members of the labor unions. The choice of interviews over questionnaires is explained by the nature of the research questions since the question revolves around the perceptions and the perspectives of the managers. Therefore, there is a belief that a questionnaire is not a sufficient tool to serve this purpose, since there is a need for an approach that enables well-developed answers and thoughts where interviews would be better suited (Diefenbach, 2009). By using interviews over questionnaires, the risk of misinterpretations, and difficulties with understanding the questions are minimized since the interviewee can pause and ask for further explanations if needed (Foddy, & Foddy, 1994). The semi-structured interview with the help of open-ended questions allows the interviewer and the interviewee to have a more natural flow throughout the interview and it is more of a two-way communication style with more involvement and engagement from both parts. By using these techniques, the interviewer may gain a more in-depth understanding (Codó, Dans, & Wei 2008).

Moreover, secondary data will also be retrieved from the respective labor union websites and reports to gain a background of the labor unions as well as communication ways. The union websites will also serve as external communication to gain further data that can be used in collaboration with the data gained from the interviews. Reports and statements from the union websites will serve as external communication (Vartanian, 2010).

Due to the circumstances of the Covid-19 virus, access to interviews could be slightly limited. The participants will be provided with the option to, instead of meeting face-to-face, perform a phone interview.

4.4 Data Collection

4.4.1 Criteria for Sample

The first criteria of the sample are that the participants are either a representative or a member of a labor union that the author could interview. The second requirement is that the participants can respond to the questions provided. Another criterion is that the

representatives of the labor unions are from different labor unions to get a more generalized sample that provides different viewpoints. This contributes to the credibility of the data and allows for a more in-depth analysis to be made (Ramsey & Wagner, 2015) by spreading the sample across different labor unions.

4.4.2 Selection of labor unions

This study has chosen a convenience sample to collect the data. Considering that the author is inhabited in Jönköping, it is more convenient and efficient to collect the data in the Jönköping area. The author will contact eight different unions that either have an office or a local division of the labor unions in order to be able to meet with representatives in a governance position of the labor union on a local level. To find these organizations, the author will search for labor unions that operate in the Jönköping area. The author will opt for organizations that are more nationwide rather than just local because they will represent more members and hence the findings will make a greater impact than if the sample included organization with fewer members. The contact information to the organization's local division provided on the respective organization's websites will be used. Rather than contacting a representative chosen by the author, the author will opt to contact the union's general information e-mail to avoid bias and gain confirmability (Shenton, 2004). To get in contact with members, the author will ask the representatives of the labor unions for a member to interview who are not involved in the governance.

The author was responded by 5 labor unions who wanted to participate in the interviews. However, due to Covid-19 one labor union decided to cancel the meeting. Thus, the sample consists of four different labor unions, all of them which operates in one specific branch. The different labor unions operate in both the private sector as well as the public sector and the different branches were teachers, healthcare, transport, and officials.

The participants for this study had different positions which were the plan since it is beneficial for the study to have a mix of perspectives and thoughts. The position of the different participants was two members who had been elected to as a chairman and vice-chairman, one manager with a team leader position, another member who is a chairman, another manager with a chairman position for a specific division, and lastly two regular members with no operating involvement in the unions.

Table 1. Overview of data collection

Interview	Time	Position	Branch	Contact	Sector	Type	#Participants	Recorded?
#1	39:36	Chairman and Vice-Chairman	Teacher	Email	Public	Face to Face	Two	Yes
#2	28:08	Manager	Officials	Email	Private	Face to Face	One	Yes
#3	27:44	Chairman	Healthcare	Email	Public	Face to Face	One	Yes
#4	49:31	Manager, chairman	Transport	Email	Private	Face to Face	One	Yes
#5	11:50	Member	Healthcare	Phone	Public	Phone	One	Yes
#6	17:03	Member	Teacher	Face to Face	Public	Phone	One	Yes

4.4.3 Conducting the interviews

If the contacted labor unions are interested in participating in the interviews, the author will set up a meeting with each labor union and inform them that the interview will be about the governance of the labor unions.

There were seven participants in total that were interviewed, however, two of the participants were interviewed at the same time since they worked as chairman and vice-chairman in the same labor union which resulted in six interviews in total. It also consists of both paid roles as well as elected non-paid roles. The time span ranged from the shortest interview lasting in about

12 minutes and the longest interview lasting in about 50 minutes. Out of the six interviews five of them were conducted as face-to-face interviews and one interview was conducted over the phone. All of which was recorded.

The interview questions followed an interview guide (see appendix 1-2) based upon the theoretical framework and previous literature. The author could after the interviewee's answers use to follow up questions to be able to get more information and a more deepened understanding.

4.5 Research Ethics

All the participants in this study were asked if they wanted to be anonymous and one participant wished to remain anonymous which led to the decision being made that all the participants should remain anonymous. Their names will remain anonymous, but their titles and their position will be revealed in this study for the author to be able to analyze the findings from the interviews and also draw conclusions from their answers and evaluate if there are any patterns or similarities between their positions and their answers and perspectives.

Besides the titles and the positions of the participants being revealed some personal information has also been used. The participants' educational level, former life experience, the number of years worked in the organization will also be revealed and used in this study to get a better picture of the participants but also a better understanding of who the participants are behind their work title and their position.

The participants were also asked if the author had their permission to record the interviews with audio sound through phones. The author had their permission to record the interviews in all the interviews conducted. The decision behind the interviews being recorded is to minimize human error but also to be certain that nothing from the interviews was neither missed nor forgotten. The author also wished to have a way to go back and listen to the interviews if any of the answers needed further interpretation.

The author wished to ensure that if any doubts or questions would arise after the interviews the author would have a way to contact the interviewees again for further explanations. Therefore, at the end of each interview the author asked if the interview could consider being contacted again if any doubts or questions would arise, all the participants agreed to this and the participants gave the author some type of contact information so that they could be contacted

again if the author deemed it necessary. The contact information of the different participants was a mix of phone numbers and emails and remain strictly confidential, for the use of the author only and not to be shared with anyone else nor revealed in any paper.

4.6 Data Analysis

The study conducted is of a qualitative exploratory nature and no statistical data nor information will be collected. The author will record the interviews to be able to later go through the recordings to find significant information important to the study. If the participants are opposed to being recorded extensive notes will be taken to properly represent their answers. Due to the nature of the study, the analysis will consist of the author' interpretation of the data, in accordance with thematic analysis. The analysis of the data is through analyzing the cases and their different parts of them individually in the form of interviews, web pages, and other reports. When analyzing the interviews, the author compares the answers to the different theories to categorize them accordingly to themes researched. The data from the different primary sources were later compared to each other for each case which works as the base for the results and findings. Statements that cannot be categorized into either of the theories will not be included in the findings section.

As stated previously external communication from the union labor websites in the form of reports and statements will also be collected and used in combination with the data from the interviews. This will ensure a more credible and trustworthy analysis since multiple sources of data are used (Shenton, 2004).

4.7 Data Quality

The following part will explore the concept of data quality and how this study ensures to follow this concept. The four factors that this entitles are Transferability, dependability, confirmability, and credibility (Guba, 1981).

Transferability implies that a study can be performed by future researchers in another context (Guba,1981). This study adheres to this by including a description of how the study is conducted and how the sample is collected. This assures that the results of this study can be transferred and utilized by other future research (Guba,1981). In order to, increase transferability further

Shenton (2004) emphasis that researchers need to clearly describe the phenomenon which they are studying. Which has been done in the literature review of this study.

Dependability is achieved when other researchers are able to come to the same findings and results by following this study´s described approach and procedures described in the data analysis (Saunders, Lewis and Thornill, 2007). To ensure dependability this study has therefore clearly stated and described the approach and methods used in order to obtain the data needed for the analysis and research question to be answered.

The objectivity within this study ensures the confirmability of this study (Shenton, 2004). To ensure that this study is objective multiple sources of information have been used. The objectivity has been further enforced by using both the data from the interviews collected and the information collected from the reports and statements from the labor union websites.

To draw findings from the data collected that match up with reality ensures credibility (Shenton 2004). Guba (1981) also argues that credibility means that a study does not only rely on one source of data but rather multiple sources. This study increases the credibility of its research by using multiple sources of data such as union labor websites, personal interviews, reports, theories, and also previous research in this area. Combining these different viewpoints will contribute to a more nuanced analysis and increase the credibility of the conclusions to be made. Moreover, one additional way to increase credibility is to use multiple methods (Shenton, 2004). This study uses interviews as well as observations from the union's websites which according to Shenton (2004) raises credibility. To ensure further credibility it has also been made clear that interviews will be conducted with members of different unions which adds different perspectives to the credibility of this study.

5 Findings

This chapter demonstrates the findings of the data which has been gathered through a qualitative semi-structured interview approach with members, chairmen, and managers of the different labor unions. The findings have been gathered through face to face interviews and phone interviews with the study participants.

5.1 Background of the labor unions

5.1.1 Labor union 1

Labor union 1 is active within the educational professions and has been active in Sweden since the early 20th century. The absolute top of the union consists of a national board and whose board members are elected at a union congress who is held every fourth year and is attended by representatives from the different municipalities around Sweden. The congress is one of three different organs that assist the national board in their ongoing work. The representatives of these organs are selected by the members at each of the different sections of the organization's annual meetings. Thus, the members elect the representatives at their local section as well as the representatives who attend the different organs on a national level each annual meeting. The members first provide nominations of which people they want to represent them in the national organs as well as their local section. The nominees are presented on the union website and the election committee successively presents a suggestion of which they prefer to be elected. The members then vote at the annual meeting of which representatives they want.

In our interview, we have contacted the local section of the labor union and the chairman and vice-chairman agreed to meet. Both interviewees had been in their positions for a longer period, both have had their respective positions for longer than five years. The interviewees do have a purely non-profit position and together with other representatives manage the local union work for this section.

5.1.2 Labor union 2

Labor union 2 has a nationwide organization who focuses on officials in private companies. The organization is divided up into different regional offices where the different workplaces who are unionized choose a workplace representative that works as a mediator between the members, employer, and the labor union at the regional level. These workplace representatives also attend the regional council where they elect the regional board as well as which people who shall represent the region at the different national organs within the labor union.

One of these national organs is a congress which is held every 4 years, and this is where the representatives elect the national board who is in charge of the union's activities between the congresses.

The labor union has representatives that have a paid position either at a regional or national level. The interviewee that agreed to meet with us does have such a position at the regional office. The interviewee has previously worked as a negotiator within the union and for the last 3 years, he has worked as a group manager at the regional office.

5.1.3 Labor union 3

Labor union 3 is present in multiple different faculties, amongst these are education, restaurants, and health and social care. This labor union has a similar structure as previous labor unions where the members choose a workplace representative who has its main contact between the members, employee, and the labor union. Every member is connected to a section that consists of member-elected non-profit representatives that handle the local union work. Above these sections is the regional offices that have employed representatives who coordinate the union work across the different parts of Sweden. The section nominates people to the regional offices which members they would like to see as national representatives at the national organs. The section representatives later vote on the nominees who later represents the regional office at the national congress. At the congress, the representatives choose the direction of the union for the next coming years as well as the national management and board. The congress is held every three years.

In this study, the author contacted a local section and had the opportunity to interview the chairman of the section who is involved in the health and social care faculty. The interviewee

has been an elected representative at the section for three years and during the last 2 years also been the chairman of the section.

5.1.4 Labor union 4

Labor union 4 is active in the transportation faculty where the members could, for example, be truck drivers as well as warehouse workers. Similar to the other unions the members choose workplace representatives to function as a mediator between the members, employer, and union. Above the workplaces, there are different sections where members can meet.

The sections are divided into different types of work faculties or geographical locations depending on the size of the section's location. Above the sections, it exists different departments where local and regional elected representatives meet and pursues the local union work and are local contact the members can turn to with union questions. At a national level, there is a congress held every five years where representatives from the different departments attend to determine the direction of the labor union and elect the national chairman and national board-members amongst other things.

For this study, the author contacted the local department and were able to meet with the chairman of the department who also works as a negotiator for the union. So, the interviewee both have a non-payed position as a chairman but also a paid position as a negotiator. The interviewee has been employed at the labor union for four years and has been the department's chairman for three years.

5.2 Interviews with labor union representatives

5.2.1 Labor union 1

Agent type behavior

During the interviews, the question ``Why should people join the union? ´´ was asked and the answers received were explained in two different components. The first part that the interviewee stressed was about the personal gain where the membership works as a safety net in the form

of the benefits and securities that follow with being a member of a labor union. Which shows an individualistic mindset.

When conducting the interviews, the question ``what are the goals of the organization´´ was asked to the interviewees and the answer was provided through a concrete example from their organization that the union works with. The answer given was that the scenario of the problematic issue of the lack of teachers in the country. The interviewees explained further that the lack of teachers has had consequences and will have consequences in the future as well if not fixed. The problem arises when evaluating the salaries and the workload of today's teachers. If people would like to become teachers and if the already existing teachers would like to remain as teachers, the salaries need to increase, and the workload needs to shift and decrease for the individual teacher. The interviewee shows motivation in a drive for a monetary benefit which is an extrinsic characteristic. However, it also shows consideration for the collective gain which is a collectivistic characteristic

Steward type behavior

When answering why members should join the union, the interviewees also answered that it allows the member to influence the union by participating in the organization and it may enable personal drive and personal development. This shows an intrinsic characteristic.

The author of the study needed some more in-depth information regarding the labor union which led to the question ``what is considered a good and/or bad performance in the organization´´. The interviewees answered that labor union does not quite work like other conventional organizations with the explanation that the work and actions of the labor unions do not yield results in a day or a week. The work of the labor unions could be seen as an ongoing process where the results do not become apparent until in the future, or at least in the long run. However, the answer was concluded with an example that could in fact show results in the short-run and that was the incoming stream of new members. When looking back at these answers and evaluating and comparing them it is not as easy as earlier cases when deciding in which direction these answers should be put, being agent type behavior or stewardship type of behavior. The problems with these answers are that there are signs of both characteristics and behaviors in one answer. The stewardship type of behavior can be detected when the information about the performance of the organization was provided where the interviewee

explained that the results of their actions and decisions will be apparent in the future, which shows a long-term type of thinking. However, agent type behavior can be detected when the interviewee explained that they are measuring and evaluating the incoming stream of new members in the organization, which shows a short-term type of thinking.

A question regarding the personality and characteristics of the ones who are working in the labor unions was asked with the question ``what type of person should you be to work in the organization´´. The answers provided were that even though you have your own tasks and goals to work with, you need to be able to adapt and listen to the different needs of the different members. When you are working with different members you need to understand that they have different needs and because you are working for them you need to take actions and decisions that will benefit them all and make their work environment better. It is very important to never leave a member's needs behind, you must always look behind and make sure that everyone is on board before moving forward. This answer shows a steward type of thinking where a lot of weight is put on the social aspect of the work.

More stewardship type of thinking is detected since more of the social aspect is apparent when the interviewee talks about that there is strength in numbers when everybody is united and working together towards the same goals. It is mentioned that you sometimes need to set aside your personal interests for the good of the organization and its members.

One statement from the interviewees said that it is important to have the long-term perspective in mind and when the results eventually become apparent it is crucial to elevate those results and make sure that the members are a part of information and celebrations so that they feel a sense of accomplishments and that their voice and hard work has not been in vain. This shows that the social type of thinking is very heavy and considered an important factor in the labor union, alongside the long-term perspective. These characteristics are all in the direction of the stewardship theory.

Communication

The vice-chairman and the chairman are being elected at the annual meeting and all the members have the right to be present and vote for who they think should have the position of vice-chairman and chairman.

A few months before the annual meeting the members have the choice to nominate a limited number of members whom they want to be nominated and then later have the chance to become the vice-chairman and the chairman at the annual meeting.

It is mentioned that there are several different means of communication in the labor union, so the members have different ways to be involved in what is going on in the labor union. One example is that the members receive a newspaper every other week with information, in addition to the newspaper there are emails send out to all the members. There is also special newspaper for specific levels within one branch, a concrete example is that there is one branch for the teachers, but there are also different educational levels within the branch of teachers and therefore the teachers can receive different specific newspapers depending on which level of education they are operating at. This special newspaper is also dependent on which subject the teacher is teaching

In addition to the newspapers and the emails, there are also personal letters send out to the members. There is also a lot of communication between the labor unions and the workplaces. It is also mentioned that the labor union is active on social Medias such as Instagram and Facebook with different types of news. Lastly, there is a lot of information on the labor union's home page on the internet.

There are also several occasions where the labor union arranges different types of social activities along the year where the union informs the members about major news and other relevant information about the union. These social activities are usually in the form of trips, barbeques, and other social activities for example like fishing. At these events, the union takes the opportunity to both inform the members and to keep them updated about the state of the labor union but also enable interactions between the labor unions and the members in a social and relaxed environment.

When it comes to the decision-making process the highest decision-making organ in the labor union is the congress. The congress is taking the major decisions for the labor unions regarding their main business actions every fourth year. It is also there where different goals are being decided and set for the labor union to accomplish in the next coming years. One of the main questions or concerns that are being brought up is directly linked with the profession(s) that the labor union is working with. The labor union working for the teachers, for example, is discussing the shortage of teachers in the country and how to combat this issue. In this regard, the main factors that are being discussed are the salary issue and the workload issue and to be

successful and combat the shortage of teachers these two factors need to be moved in certain directions. For new people to be attracted to the teaching profession but also to keep the ones who are working as teachers today the salary needs to be increased and the workload needs to be decreased.

It is said that every municipality is working independently which means that the municipalities need to negotiate against each other to succeed and reach their goals.

5.2.2 Labor union 2

Agent type behavior

The author of the study wanted to investigate the forms of communication within the organization and how it would look like. Hence, the question ``Do you receive and recognition from upper management or other divisions of the organization when dealing with your tasks and goals´´ was asked. The interviewee explained that there are target models that they use and other forms of internal control systems that monitor the level of target fulfillment.

Furthermore, the interviewee explained that they are continuously evaluating if certain activities and actions are yielding the desired results or not, and if there is something that needs to be changed and improved. When it comes to the actual success or fail part of their work they will celebrate when succeeding with their tasks and they are getting some sort of recognition. When failing or not reaching the desired outcome they are going to hear about it.

These answers are indicating that the ones who are working within the organization of the labor union are aware of the extrinsic rewards where they are receiving recognition for their successes and that they are being celebrated for it. This shows that the workers are drawn to extrinsic rewards and they are being motivated by it. On the opposite side of extrinsic rewards, there is a type of extrinsic punishment where the author learned that there will be some sort of verbal punishment or something similar when not reaching the desired outcomes from their work or when failing. The workers are aware of the extrinsic punishments and they are trying to avoid it to receive as less of it as possible. Due to the correlation between the workers and the extrinsic motivations, there is an agent type of thinking and behavior in this aspect.

Steward type behavior

Another question related to the personality of the ones who are working within the labor unions was asked with the question ``what type of person do you have to be to work within the union´´. The interviewee explained that as an employee in the labor union you will often meet people who are going through a crisis, it could be that they have recently lost their job or another form of unfortunate event. As an employee, you need to be able to handle such situations well and be comfortable with that. Overall the interviewee explained that there needs to be a genuine interest in the work you are going to perform which shows that the ones with some sort of intrinsic motivation and sense of fulfillment will perform the best with these types of tasks. This indicates a steward type of thinking.

During the interviews, the question ``what is the best and/or worst thing about your current position´´? The interviewee provided the answer that on one hand working in a labor union is not that different from another workplace in the sense that there will be difficult situations and conversations. That it is possible for employees to feel stress and such. But on the other hand, the interviewee continued that even though that aspect of the job could be perceived as not as good as the rest of the work it could also work as a motivational tool to keep working hard and challenging yourself to get through those situations and see them as opportunities and challenges to grow and develop as a person.

The interviewee is expressing that the tasks that they have been entrusted with are motivating by themselves and that they have a big interest in the tasks that they are doing. This is further an indicator of intrinsic motivation where the respondents are driven by the nature of the task rather than the rewards for performing the tasks. Because of the intrinsic motivation that is apparent the agent type of thinking is considered to be the prevailing characteristic.

Another organizational centered question was asked with the question ``Are you doing anything to increase the number of members´´? The interviewee explained that this is one of the major parts of the job, to recruited members. However, they are attacking this task with a long-term perspective in mind. They set high targets that need to be reached in the future and then they build the organization to perform their tasks so that they can work toward that particular goal.

This shows a steward type of thinking since the employees have a long-term perspective in mind when dealing to increase the number of members in the labor union.

When asking the question ``what is good and/or bad performance´´? During another interview, the author received the answer from the interviewee that if the organization always is in a growth state with more people becoming members that is a good sign.

Furthermore, the interviewee explained that if the organization can use the strength that more members generate to negotiate better terms and contracts for the members and create better work environments for the members then it is considered that the union is working in the right direction.

The interviewee is expressing that greater terms for the members as well as the organization's growth are a good performance which shows that care should be given to the collective rather than the individual goals. Furthermore, the author noticed that during the interview the interviewee was using the term "we" which is showing that the individual is regarding themselves as part of a group rather than an individual which is a social type of behavior and therefore a steward type of characteristic.

Similar to another answer when asking the question `` what is the best and/or worst thing about your current position´´? The interviewee explained that seeing your co-workers grow in their roles and succeeding with their tasks and goals is one of the best things about the job.

Where the interviewee experiences enjoyment when his subordinates, members of his group, are experiencing growth and fulfillment. This, in turn, is translated into a social as well as intrinsic type of characteristics since the individual is finding enjoyment, which is an intrinsic characteristic, in the groups' success, which is a social characteristic.

Communication

One of the main ways of communications for the labor union is through going to the different workplaces which the labor union represents and there inform the members about the state of the labor union and inform the members about news and other important and relevant information about the labor union and other events.

The labor union works actively to communicate and uphold the communication between them as a labor union and their members. This is achieved through social activities such as family

days and other social events at both the workplaces but also in other places. At these activities and events, the labor union strives to inform existing and new members why they should be a part of their labor union and they argue for the importance of being a member and the benefits and securities that follow hand in hand with the membership of the labor union.

When it comes to the decision-making process the so-called congress is the highest decision-making organ and the congress is holding a meeting every fourth year. At this meeting, the organizational goals are explained and set for the labor union to achieve.

If it is about organizational goals in the form of quantity, meaning goals in the form of numbers and other similar targets that needs to be achieved. In that case, it is a combination of the management for the labor union and their elected representatives who are a part of the decision-making process ad work towards these goals.

It is explained that these types of goals are sipping down from the above since the labor unions are working independently at different regions and every region have their regional board. There are 19 different regions whom all of them have their regional board which in their turn gets their goals and target numbers from the main management and elected representatives in the capital of Stockholm. The regional boards, in turn, set their own type of goals to reach and achieve the overall goal that the federation in the capital have set. It is mentioned that even though some goals and decisions are coming from the management teams in the capital the regional boards have relatively large freedom to set their own customized goals and taking decisions to achieve those goals. It is also mentioned that when it comes to the main goals and bigger decisions the freedom is not as big to operate independently. The goals the regional boards are receiving from the federation in the capital are later split, divided, and portioned out to the employees to achieve on the regional level.

It is also explained that since the labor union is a democratic organization the goals could be seen and interpret as coming from below and up because it is elected representatives have been chosen by the members and they are also getting their support from the different companies, workers and members and they are the ones whom the elected representatives are working for.

Besides the external ways of communication between the labor union and its members, there are also internal ways of communication within the labor union. There are certain systems of control within the organization where the upper management is controlling and checking up on the labor unions at the regional level weather, they are achieving their goals or not. There are organizational controllers employed by the labor unions to control the organizational flow and

operations and whether the goals or achieved or not. The regional management themselves are helping this process of control by reporting three times a year their status regarding how close they are to achieving their goals and if they have been achieved. Besides the organizational controllers, there are also economic controllers employed by the labor union who controls and evaluates if the labor union is operating within their economical budget. Lastly, there is an organizational control by an external part in the form of an auditor who performs audits of the labor union.

5.2.3 Labor union 3

Agent type behavior

During the interview, the question ``How do you measure performance´´? Was asked. The interviewee explained that the current focus is to recruit more members and that they have certain numbers on how many members they need to recruit each week.

In this instance, the interviewee shows that there is a focus within the organization that is heavily short term oriented where the recruitment of members is measured for each week. This indicates an agent type of behavior.

Steward type behavior

When conducting another interview where the author asked the question ``what is good and/or bad performance´´? The interviewee explained that if they succeed with the tasks that are connected to the members then that is a good performance. The interviewee explained that when they succeed for the members, then the organization has succeeded.

These answers show that a good performance for the organization is when the members are benefitting from the different situations and that the members feel like they are a part of the organization and can affect their situation. Like previous statements, this interviewee is expressing a social behavior by showing a focus on success where the beneficiaries are the collective rather than the individual. This is in the direction of a steward type of thinking.

There was an instant where the author received a different type of answer when asking the question of whether there are any internal control systems to assure that existing targets and goals are being reached by the upper management. In this particular interview, the interviewee explained that the management does not make it official if someone has not produced the desired results or outcomes. The interviewee continued that the employees are getting support and help to solve the problems and reach the desired goals and targets instead of getting punished.

The interviewee expresses that the absence of extrinsic punishment is apparent. Where the interviewee says that even though they might perform poorly they are not punished by their superior in some way by for example a lowered budget for the division. Instead, the focus is upon helping the division by evaluating the results and try to develop the division instead.

Communication

One of the main goals is to recruit more members and this is achieved through several different ways of communication between the labor unions and existing and potential new members. The labor unions are working a lot on the actual workplaces to educate the employees about what the labor unions are doing and the importance of being a part of the labor union. The labor unions explain what the labor unions are doing for its members and explaining the securities and benefits that are guaranteed by being a member.

The labor unions also have ways to communicate and update their members about the status of the labor union and other important relevant information through the different meetings they are arranging. It is mentioned by the labor union that they have an annual meeting, a meeting for the members, and a nomination meeting. The labor unions are also sending messages and emails to their members with important information about their operations and activities.

Similar to other cases the congress is the highest decision-making organ and there is an election every fourth year. Another similarity the author detected is that there are internal ways of communication in this case as well where upper management is giving acknowledgment when the labor union are achieving the set goals

It is mentioned that the main goals are as stated before to recruit members and there are target numbers for how many members the union should recruit each week.

5.2.4 Labor union 4

Agent type behavior

No statements were made by the interviewee that fit into an agent type behavior.

Steward type behavior

When conducting another interviewee, the author asked the question again whether what the organization considers being a good and bad performance. In this interview, the author received the answer that if the members are dissatisfied with the union, then the organization has performed poorly. It could either be that the union has failed in a matter of negotiation or that the outcome of the negotiations was not the one the members had hoped for. The interviewee continued that the members could also be dissatisfied with the union due to the reason that the labor union has not been out in the workplace as much as the members had wanted.

This shows that the labor union is aware of the members and that they want to work and perform for their cause, and that when they fail to do that, they perceive it as a failure. This shows a social type of behavior from the union which is a steward type of behavior. These answers show that the performance of the labor union is directly linked to how the collective of the members perceives the labor union.

During another interview the question about what the best thing about the job the interview was explained that it is to help so many people. That interviewee continued that he/she had the opportunity to help the members with their problems and that the members would always have a shoulder to lean on when needed. The interviewee further explained that the members trust him/her and have a lot of confidence in their ability to help them with their problems.

The interviewee gets a sense of enjoyment from helping the members which are an intrinsic characteristic. Furthermore, the interviewee is expressing that the actions that are beneficial towards the members which are a characteristic of social behavior, and this is in the direction of a steward type of thinking.

A quote from the interview is that ``as a manager and employee in this labor union I get paid from the members to help them. It is because of the members I have a roof over my head and

food on my table, therefore the members can expect and demand a whole lot from me, nonetheless answer their phone calls. ´´ which further shows a social characteristic.

During another interview, an interview explained that a lot of times they are working without pay, in the form of weekends and late nights beyond the working hours. This means that it is important to have a genuine interest in the work to sacrifice your free time for the work.

This indicates that a genuine interest in certain situations is needed and that working beyond your regular hours can occur when working within the organization. The employees or as an elected must have the inner motivation to perform the tasks even though it might be time-consuming or psychologically tough. This is a clear indication of intrinsically motivated behavior and the way of thinking of a steward.

Furthermore, when asking the question of whether the employees of the labor union receive any recognition for their work one interviewee answered that they always receive a ``Thanks´´, but often not more than that.

The interviewee expresses the absence of extrinsic rewards such as public praise and increased image. The absence of extrinsic rewards and punishments shows that the organization is focusing more on intrinsic motivation in their employees and elected personnel which shows a more steward type of behavior.

Communication

The labor union has several different ways of communicating with existing and new, potential members. One of the preferred ways is to go to the workplaces and there argue and inform the workers why they should be a part of the labor union and why it is important. At the workplace, the union argues and informs the workers about the securities and benefits that are included and offered to the members of the union. The labor union explains what the labor unions do for its members and it is mentioned that they also describe different real-life scenarios such as their work against minimum wages. They also explain that the labor unions are the reason behind companies offering work clothes to their employees.

It is mentioned that the labor union finds it easier to recruit young people than old people. One quote from the interview is that ``It is difficult to recruit members who are middle-aged or older when they have never been a part of a labor union, it is easier with younger people since they

are still in that open stage in their life and it is still possible to shape them and steer them into certain directions´´.

Due to the mentality, the labor union has and the beliefs the union shares in which it is easier to recruit younger people as members the union often goes to different schools and educates and informs the students about the labor unions. The labor unions locate which schools and which programs often lead to the specific professions they represent and go to those specific schools and argues and informs the students why they should be a part of their union.

Besides going to the workplaces and the different schools the labor union is also using other channels to communicate with their members. There are meetings for the members and based on the profession and the work of the member there are section meetings specially designs for the different professions the workers may have. There are also important and other relevant information that is published on the website of the labor union but also social media such as Facebook. If it is about major news and information, such as information about negotiations regarding contracts the labor union is using mass text messages and emails to its members.

It is mentioned in the interview that the management of the labor union always makes it clear for its members and reminds them that besides the main ways of communication such as text messages and emails the members are more than welcome to call the labor union regarding whatever it might be. During the interview, it was mentioned that there were members who did not want to call the management since they thought that they would disturb the management and that they are busy with other matters. Therefore, the labor union puts a lot of time and effort to change this perception of its members.

5.3 Findings from the websites

In this chapter, we present findings from statements made by the organizations on their websites as well as their annual reports. We focus our search on the organizations' goal settings, recruitment of members, and press releases

5.3.1 Labor union 1

When looking at the website of the labor union of their statements of why one should become a member of the organization the union promotes that the members recruit others. By

recruiting new members, the recruiters can gain points that they can use to buy products from their webshop. The more members you recruit the more points you gain and the "better" the products you can get. This indicates a focus on extrinsic rewards.

From a press release by the union, they offer a bonus for newly employed personal who stays within a certain municipality for three years. This to retain new employees in the schools of the municipality. This would also be considered as an extrinsic mindset.

The following statement is made on the website:

"We amass the whole profession. This in order because we know that we are stronger together. Then we make the right things happen. Become a member today you too – the first three months are free!"

The labor union promotes the collective and shows the importance of being many in order to make a change. Furthermore, the union lures new members with three months of free membership showing a mindset of using extrinsic rewards as well.

The annual report of the union keeps pushing the social sentiment of being stronger together and states the importance of member recruitment. With values such as "Stronger together" and "Solidarity", the union shows a social mindset.

Furthermore, the organization shows a long-term mindset stating that:

"The long-term direction of the union is valid for eight years… The purpose is to develop the reasoning and give more substance to the vision, mission, identity, and values as well as circle what we are going to focus upon in the organization in a longer perspective."

"The organization's direction guides and sets the goals for the unions during the period of the congress"

To summarize the findings of the search of the website we found indications of a social, extrinsic, and long-term mindset.

5.3.2 Labor union 2

Similar to union 1 this union offers a three-month free membership for new members. They also offer certain benefits to the members like discounts on hotels for example. This is an example of an extrinsic as well as an individualistic mindset. Similarly, according to the

annual report of the labor union, the organization has a bonus system in place for its employees which indicates this mindset further.

However, in a press release from the union they stated the following:

“A director has a very important influence over the decisions made which can influence the organization's financial reports. Furthermore, a director can, on a whole other level than owners with responsibilities and majority of the employees, leave the organization with short notice. Hence, a bonus system must govern the director towards long-term decision-making.

The union deems it is necessary to discuss what motivates the director to do a good job. Both of our studies show that it is often other parameters than the possibility of bonuses that stimulate the director in their work. These are the driving forces the board must focus on to motivate and guide the director.”

This statement shows that the union acknowledges that there exists an agency problem within organizations. The union promotes a long-term way of thinking as well as the usage of intrinsic motivators rather than an extrinsic motivator.

Furthermore, in the annual report, the labor union states that the guidance of the union is set for the congress period of 4 years indicating long-term behavior. There is also focus upon the collective consistently through the annual report. “We exist for the members”. How change can be made by doing it together, and the goal of the union is to promote the interests of the members.

Ultimately, the author found instances of extrinsic, individualistic, intrinsic, social, and long-term behavior.

5.3.3 Labor union 3

Similar to the other unions, labor union 3 does offer some discounts and benefits to their members and the union exposes this information on their “About the membership” tab on their webpage. They also promote the chances of increased salaries by support in salary-negotiations. This indicates a focus on extrinsic rewards and individualistic gains. However, they also offer intrinsic rewards such as personal development by becoming workplace representatives. Furthermore, the following statement was taken from the website:

“**This is what we want**

• Higher wages for all and a special wage investment for vocationally trained people in welfare….

This is what the employer wants

• Poor agreements that can mean zero kronor in salary increase…”

With this statement, the union expresses extrinsic motivation focus when promoting an increase in wages which is extrinsic rewards and a deal with the employer could mean no salary increase which is extrinsic punishment.

In a press release from the union, they talk about the record number of proceeds members received from legal aid granted from the union during the year. The following quote is from that prerelease:

“In 20xx, the union held a record number of legal aid cases - and collected a total of xx million for its members. At the same time, many people miss the fact that legal aid is included in the membership for free “

This shows that the union promotes the benefits of the members, as such social behavior. However, there is also a focus on extrinsic rewards.

When analyzing the annual report of the union there is a focus upon how the vision and goals are working ultimately to benefit the members. “An important part of our work, no matter the prioritized goals, is to try and influence the politics that influence the members’ everyday work”.

The union also expresses a focus upon member recruitment. The union has a long-term goal of having xx number of members for the year 2030. They also have more short-term goals to “to reach our long-term vision”. One of these short-term goals is to have more members by the end of the year than at the start of the year.

Ultimately the author found instances of every indicator of both agent and steward behavior.

5.3.4 Labor union 4

Similar to the other unions the labor union presents benefits and discounts that are included when becoming a member. The labor union also has a bonus for members who recruit other members. “You who recruit a member receive a gift card of a value of xx kronor”. This is

translated into an extrinsic mindset. Which is promoted on the become a member tab on the website.

Another statement made on this tab is “By becoming a member you contribute to a stronger union and better agreements and higher salaries.”. This statement shows a focus upon the collective when talking about a “stronger union” as well as extrinsic with “higher salaries”.

The union promotes collective behavior as stated on their website “As a member, you do not have to stand up for your rights alone… No one can drive your important questions better than you and your colleagues at work.”. The union stresses the importance of not pursuing issues alone instead to cooperate and work together. Furthermore, the union states the following:

“Same pay raise to all; the union has a traditional mindset towards how the collective agreements will be designed. It means that vi negotiate agreements which will give every employee within a certain area will receive generally the same pay raise.”

“A lot of engaged members generate strong agreements; the contents and strength of the agreements are primarily a cause of how many who are organize within the different branches and what conflict strength the group has.”

These statements promote the importance of strength in numbers as well as equality to all when it comes to pay raise. This shows the social mindset of the union.

In the annual report of the union, there is as the other unions focus upon member recruitment both by educating current employees as well as employing staff for the purpose of recruiting, as the following quote states:

“The union board decided to set aside xx million in its budget for 2019 for member recruiting projects, just like in 2018. From this pot, the departments could apply for funding to employ a member recruiter who would only work with recruitment to our union. The year before, only SEK 2 million was demanded from the allocated xx million, which meant that in 2019 we were required to train those who are employed in the departments when it comes to membership recruitment.”

Furthermore, the union provides short term as well as long term orientation regarding member recruitment. When stating “we are currently recruiting on average xx new members per month and during the year we have received approximately xx new members” the union states a focus upon benchmarking the member recruitment per month and year, hence short-term. Later the union states the following:

"A signed direct debit agreement is the safest way to retain members for a long time, it also means a simplification for the union."

This suggests that the union also has a focus upon the long-term, at least when talking about membership retainment.

Ultimately the union expresses instances of extrinsic, short-term, social and long-term behavior.

5.4 Perception of the members

During the interview, the author asked one of the members of the union to describe and explain her experiences with the union. The member explained after receiving the question that she had not personally been in a situation where she has felt like she needed the help of the union or getting in contact with them. But the member quickly continued by explaining that she knows for a fact that the union is doing a lot of good work for the members and those in need of their help in different situations.

With this statement, the member has the belief that the union, even though the member has not needed the use for help, is doing work to benefit the members. The member believes that the organization is working towards benefitting the members as a whole and thus believe that the union workers have a social characteristic. The member further confirmed this when the member said that he/she believed that the union is indeed making decisions that are aligned with the interest of the members.

However, another member was a little more defensive concerning whether the union is making decisions that are in line with the members. The member explained that it is somewhat hard to say at the moment whether the union is making decisions that are for the benefit of the members since it is a very special time, referring to the pandemic COVID-19. The member continued that she feels like that working as a teacher the amount of planning time is too low. She explained that she is aware there have been efforts and attempts at gaining more planning time.

The member expresses that she has some belief that the union is working towards benefitting the members who were mentioned in the citation. Hence, the member does believe somewhat that the union does have a social characteristic. To confirm this the author asked a follow-up question whether the member felt like the labor union is prioritizing the members and are trying

to do what is best for them and improving their workplace. The author received a confirmation when the member agreed and answered positively to the stated question.

During the interviews with the members, the author wanted to investigate what the factors could for a person to decide to be a part of a labor union. The author asked a member what the leading events or thoughts could be for a person to join the labor union. The member explained that for her, in particular, it is natural and that she does not see any reason for not being a part of a labor union. The member further explained that she had not been in any need of the union or in any situation where there had been a problem or misunderstanding between her as an employee and her employer.

Furthermore, the member explained that there is a sense of security being a part of a labor union and that she is aware of their work for the employees in the form of trying to increase the salaries and improve the working conditions.

The members express that there exists some sort of necessity to be a part of the union when you are working. The members also are experiencing a sense of security to be part of the organization which translates into a trust in the organization to fulfill their duties when they are needed. The member also explicitly states that she believes that the union is working to improve the conditions for the members. This all translates into the member's belief that the union does possess a social characteristic.

The author had received positive responses concerning the labor unions and the function but needed to understand whether there also was another side of the labor union that had not yet been revealed. Therefore the author asked the members whether there were aspects of the work of the labor unions that could be improved. The members explained that they have already seen and felt some changes and improvements taking in form of the labor union being more active and showing more presence and involvement in the workplaces. That it seems that the labor unions are trying to be out more in the workplace and trying to talk with their members and potential new members and trying to figure out what is needed.

Furthermore, the members express that they appreciate the labor unions showing up more at the different workplaces which leads to a higher sense of closeness to the unions which is considered very important for them as members.

The members state that during a couple of years there has been some sort of change where the union is showing more presence in the workplace. Showing that there has been some sort of

change that has been in the works for a couple of years which suggests that the member believes that the organization has a more long-term oriented characteristic. The members also stress the importance of taking the members' consideration into account which would be considered a social type of behavior. Even though the members are stating that the union is improving this behavior, the answers suggest that there are still improvements to be done in this area.

At an interview with the members, the author asked about what the members considered the union was performing good at. The members explained that the chairman of the union has been particularly good at involving all the members and listening to what the members have to say. The members continued by expressing that they have felt a sense of connection and closeness with the labor union by being more involved in the meeting and different events.

Another member stated during the interview that the labor union has worked hard for an increase in their salaries, and also that they have put some extra time and effort into the ones that needed the increase in their salaries the most. The member concluded with that is very important and a good thing to help and prioritize the members who are in the most need.

When the member stated how pleased they are that the current chairman is involving the members in meetings and decision-making processes, which shows that care is given towards the collective rather than every man by himself. Another member strengthens this sentiment by stating how considerations are given towards those that might have a worsened situation than others are receiving more focus, and as such the union shows consideration towards the collective.

When asked about trust and motivation the author were trying to find out what the members believed motivated the managers and chairmen within the labor union. When asking about whether the members were concerned in a way or another that the union is using the membership fees wastefully the members responded with a rather positive approach despite the wrongdoings that had been revealed in the media by the labor unions. A member explained that she has good faith and trusts what the labor union is doing. The member continued by telling the author that she is very aware of what has been revealed by the media in the form of the wrong usage of the capital entrusted to the union but that she chooses to believe that every employee or person involved in the organization in some way or another is not using their position and resources in a wrong way and that the majority is working towards using their position and allocated resources in the right way.

With this statement the member is showing that they are aware of such instances as stated in the introduction where union representatives have used funds in a questionable manner, however, the member is trusting that the majority of the representatives are using the funds in the "right way" which would indicate that the use extrinsic rewards would be to a minimum. The member thus trusts that the managers are intrinsically motivated.

To get a deeper understanding of how the members perceived the labor union the author asked the members what they think is the motivating factor for the managers within the union. A member responded with that she believes that they have a genuine interest in unions' issues such as working conditions, matters of salaries, and collective agreements. That the management is motivated to improve these aspects that come with employment.

That response shows that the member has a belief that the union managers are intrinsically motivated. The member later stated, regarding the importance of trust within the organization, "That is very important, that the ones (who are elected) have the closeness to the members in case they are in need in some help, and that we have trust in those who are elected." When the members are talking about how important trust is to the representatives this would lead us to determine that the use of a different type of control systems or extrinsic rewards to align the representatives' interest with the members are not in place. Thus, when the members are expressing instances of trust and the importance of trust to the representatives, shows a view from the members that they believe that the representatives are intrinsically motivated.

6 Discussion

This chapter presents the discussion of the findings which were presented in the previous chapter. Furthermore, this chapter will discuss the findings concerning the theories mentioned at the beginning of the study, more specifically the agency theory and the stewardship theory.

The purpose of this thesis was to examine whether the representatives of labor unions in Sweden are acting as stewards or agents. This to receive an understanding of how the governance of these organizations could explain the actions of the representatives. During recent years in Sweden, there have been scandals where different representatives of labor unions have used the funds of members in questionable manners through investments or excessive trips for representatives, even though the purpose of the union is to work towards increasing the members' salaries and working conditions among other things. So, the question arose whether labor unions are agents or stewards?

Since the labor unions are funded by the members there was a big step backward when the different scandals arose causing a high decrease in the memberships of the different unions. Showing the importance of how members perceive the organizations' representatives. Are members perceiving the representatives as agents and thus, when scandals are revealed, leaving the organization because they feel they are being abused? Or are they perceiving the members as stewards, which would lead to the question of why the members would leave if they believe the representatives are motivated to promote the members' interest? Which makes it relevant to ask the question if members perceive the labor union representatives as agents or stewards?

Considering that the members left the organization after the scandals were revealed in the newspapers a third question also arose. Whether the labor unions are communicating their decisions and investments to their members? And is the information provided enough?

6.1 Interviews with the representatives

When analyzing the findings regarding whether the union managers and chairmen are to be considered to be an agent or steward, there is a clear indication that they are more like stewards rather than agents. Concerning how short-term or long-term oriented the representatives are, there were statements made by both representatives with paid and non-paid positions that were both short-term and long-term oriented. However, there were more occurrences where the interviewees expressed long-term characteristics. There were instances where the interviewees expressed long-term characteristics when talking about taking care of the members and the mentality of the union. For example, interviewee 1 who said that when working for the union you must have a mentality to involve other all the organizations to work together for the long-term goal. Considering that Brown and Yoshioka (2003) found that employees who stay within organizations for a longer period of time show an increase in mission attachment it makes sense that the representatives who all have been within the organizations for a longer period of time show an attachment to the mission. And Hernandez (2012) states that stewardship is the willingness of an individual to protect others' long-term welfare.

However, most of the statements made about the orientation of the union were made in the context of member recruitment. Where all the interviewees stressed the importance of constantly recruiting members for the organization. The interviewees expressed different goals of the number of members to be recruited in a certain period, where there was expressed short-term goalsetting with an x number of members recruited a week but also longer intervals with goalsetting of x number of members recruited after five years. And as the findings from the websites later showed this was also a big focus at the organizational level. The focus on member-recruitment was expected since the organizations are funded by the members and need a lot of members to be able to work efficiently. Ultimately the representatives do express more long-term oriented behavior, but there is simultaneously a focus on the ongoing process of the organization. As McCuddy et al. (2007) stated multiple times is that a steward is a person who uses their potential to benefit both the current and future generations expressing the importance of having the long-term goal in mind when pursuing their actions. The findings of this study showed that the labor union representatives tend to have a more long-term oriented way of think and thus are regarded to lean more towards a steward rather than an agent. This can be related to Van Slyke's (2006) finding that a longer relationship leads to a stewardship type of environment.

When it comes to whether the representatives showed a more social or individualistic behavior the findings suggest that there was a clear indication that the representatives are more social rather than individualistic. All of the representatives showed social characteristics, and some did also show a couple of individual characteristics. There were instances where the interviewees, for example, expressed that the reason for joining the organization is for your own interest and safety which as Eisenhardt (1989) and Albanese et al. (1997) are in line with agent type behavior. However, there was apparent that there were more instances where the representatives show social behavior. For example, when one interviewee talking about when the organization is successful is determined by when the members are satisfied with the organization which shows that consideration is given to the collective rather than focus on their self-interests. This is in line with what Hernandez (2012) states that stewards feel compelled to positively influence the collective. As multiple studies have shown throughout the times (Kristof, 1996; Mason, 1996; Park & Word, 2012; Andrade & Westover, 2020) employees within non-profit organizations want to fulfill the organizations' mission and contribute to society by helping others. Thus, it was not surprising that we found that the representatives were social oriented.

Considering that the sample was consistent with representatives who did not have a paid position it would be expected that these are more driven by pursuing the interest of the members since they are not having any extrinsic motivators, and as studies have found (Brown and Yoshioka, 2003; Park & Wood, 2012; Mcginnis-Johnson & Ng, 2015) wage dissatisfaction can overrule the mission attachment. However, the representatives that had a paid position also expressed clearly a more social type of behavior which makes an interesting finding. Considering that the interviewees have been a part of the organizations for multiple years one could argue that perhaps new representatives might not express the same characteristics and mission attachment which Brown & Yoshioka (2003) found.

Regarding what the findings showed concerning whether the representatives were more extrinsic or intrinsically motivated. The findings similar to the other behaviors showed a mixed result, where the interviewees expressed both extrinsic as well as intrinsic behavior. As multiple interviewees stated an interest in union work is the basis to be able to work for the organization. As Davis et al. (1997) state that stewards are motivated more by intrinsic rewards which can be connected to the findings of the study that the representatives believe that a genuine interest in the work is the most important. Consistent with previous studies (Light 2002; Serra, Serneels & Barr, 2011, Park & Word, 2012; Andrade & Westover, 2020) the representatives are more

motivated by intrinsic rewards such as interesting work tasks, contribute to society and help others. This, in turn, shows that the interviewees are expressing more behavior as stewards rather than agents even though there are some occurrences of agent-type behavior. The occurrence of both types of behavior has also been found in previous studies (Angwin, 2004; Chrisman 2007; Vega & Keenan, 2016) which presents the fact that neither of the theories can in a complete way explain the reality which this study further confirms.

Considering that the sample consisted of representatives which had non-paid positions and were member-elected, such as chairmen, it would be expected that these people were intrinsically driven since they will not be offered monetary rewards as previous studies (Light 2002; Serra, Serneels & Barr, 2011, Park & Word, 2012) have found. However, the interviewees that had a paid position did also express that they were more motivated by their own interest and the self-fulfillment they received from the working tasks, rather than the extrinsic rewards that could be connected to their performance. Thus, this study finds evidence that contradicts the belief that even though non-profit workers are intrinsically motivated and attached to the missions of the organization it can be overridden by extrinsic rewards such as wages (Brown & Yoshioka, 2003; Lanfranchi & Narcy, 2006; Lanfranchi, Narcy & Larguem 2010; Chen, 2014; Andrade & Westover, 2020). Considering that the sample of this study did consist of two people that had a paid position in the organization, there are difficulties in concluding that all representatives that have paid positions within labor unions are more intrinsically motivated and that this cannot be overridden by extrinsic rewards. However, there were a few occurrences of extrinsic motivators though not as many to suggest the intrinsic motivation being overridden.

There were also instances where the answers from the interviewees that the author did not relate to either of the theories which as such were not included in the findings in accordance with the method applied in the thesis. This could indicate that there are instances in practice that is not included and that the theories is not reflected in reality as previous studies (Angwin, Stern & Bradley, 2004; Chrisman et. al, 2007; Grundei, 2008; Martynov, 2009; Vega & Keenan, 2016) and this could warrant further research.

This study thus suggests that the theories that have been developed do not reflect the reality of the world that we live in. People are more intricate than the theories' model of man is. People are not necessarily solely expressing the characteristics of an agent or steward. People might be leaning more towards an agent or more towards a steward but ultimately, they have characteristics of both. Considering that these two theories have been widely used in different studies and practices around the world (Angwin, Stern & Bradley, 2004; Chrisman et. al, 2007;

Martynov, 2009; Vega & Keenan, 2016), an example is the use of performance-based pay that multiple corporations are using in today's society which is a tool that is very important in agency theory (Jensen & Meckling, 1976), the fact does stand that neither of these theories seems optimal to pursue in every situation.

Perhaps the optimal way of governance is a mix of the two theories as Grundei (2008) argued for. However, I believe that the practitioners need to consider what type of people their employees are if they provide extrinsic rewards, such as performance-based pay, and their employees are intrinsically motivated causes the employees to instead be offended by the insinuation that they are motivated by money and cause their motivation and performance to drop as argued by Angwin et. al, (2004). If you can conclude what type of relationship you have then you can adjust the governance style appropriate to that situation.

The findings of this thesis were collected from representatives that had paid positions within the union as managers, but also representatives that had a member elected position which was not paid. One could argue that the representatives with a paid position should express more agent type behavior than those who have a non-paid position due to the extrinsic override (Lanfranchi & Narcy, 2006; Lanfranchi, Narcy & Larguem 2010; Chen, 2014; Andrade & Westover, 2020). However, from our findings, there was not any sign of the existence of such a correlation. Considering that the study was conducted in the Jönköping area and the representatives were all part of a regional office of their respective organization the study is limited to the representatives of the regional offices. It would be interesting to discuss if the findings would be the same if the sample instead consisted of representatives of the organizations on a national level.

6.2 Findings from the websites

When looking at the websites of the different labor unions the author was looking for what type of behavior is established on the respective websites of the unions and thus what type of culture would this indicate that the unions have. There was a surprising amount of different types of behaviors found. However, there were most instances of extrinsic, social, and long-term which occurred in all labor unions. As Brown & Yoshioka (2003) the non-profit organizations focuses heavily on their mission to attract resources, as such one would expect that the unions would

promote behavior aligned with a steward as they would be wanted to be viewed as a steward by the members to attract more members.

In the findings, it was apparent that extrinsic rewards such as recruitment bonuses and benefits were heavily promoted by the labor unions on their websites. This could be explained by what Brown & Yoshioka (2003), McGinnis-Johnson & Ng (2015), Park & Word (2012) found that the mission attraction can be overruled by extrinsic rewards in certain cases. Thus, the labor union might recognize the possibility that their mission might not be enough to attract more members, and thus have embraced extrinsic rewards to increase their members.

Furthermore, it was also found that one of the unions is using a bonus-pay system as such the union somewhat embraces an agent type culture. However, as Light (2002), Serra, Serneels & Barr (2011), and Park & Word (2012) found that the non-profit organizational managers are more motivated by intrinsic rewards rather than extrinsic rewards as such the union is risking the motivation of their managers if they are more motivated by intrinsic factors. And even though only one of the unions was found to have such a bonus-system all the other unions also promote extrinsic rewards on their websites and thus might express such culture within their organization. AS Angwin et al, (2004) states that it is important to consider if you deal with an agent or a steward since this could cause a loss of motivation from your employees.

The second common type of behavior promoted by the labor unions was social characteristics. As Ben-Ner et. al, (2011), Borzaga & Tortia (2006), and Rose (2013) found that non-profit organizations endorse their missions to attract employees, we expected to find this as well when the organizations were trying to attract members. That “we are stronger together” mentality was apparent throughout the different labor unions.

Considering that the labor unions were pushing a lot on the mission of benefitting the members in the best possible way there was a clear affirmation of the studies such as Brown & Yoshioka (2003) and Mcginnis-Johnson & Ng (2015), conducted stating that non-profit organizations focus upon their mission to attract employees and resources due to the difficulties of competing with for-profit firms regarding pay. Thus it makes sense that there is a lot of focus upon this due to the organization's heavy reliance upon the fact that the mission of the organization should motivate and attract employees as well as new members as they cannot compete with other organizations regarding extrinsic rewards.

Considering this the unions are utilizing their missions to attract new resources and thus implements this in their culture. Considering that only one of the unions was found having a

bonus-system in place according to the annual reports, the unions are relying more on their mission statement attachment of their employees. This is in line with previous studies (Kristof, 1996; Mason, 1996; Serra, Serneels & Barr, 2011; Park & Word, 2012) have found.

The third common type of statement found was the long-term focus by the unions, mostly when talking about the directions of the unions and goals, but also when talking about member recruitment. Considering that employees that are employed for a longer period of time show a higher mission attachment (Brown & Yoshioka, 2003) and that an agent type of relationship can develop into a steward type relationship with time (Van Slyke, 2016), it makes sense why the unions would have a culture of long-term orientation and promote this in their communication channels.

Despite all this, it became clear when analyzing the findings, that in all cases the labor unions expressed instances of both of a stewardship mindset as well as an agency mindset. This is aligned with previous studies that have found that in practice the theories of agency and stewardship do have shortcomings (Angwin, Stern & Bradley, 2004; Chrisman et. al, 2007; Grundei, 2008; Martynov, 2009; Vega & Keenan, 2016). And it seems like the unions have recognized that they cannot simply rely upon a straight-up stewardship-based model for the governance of their organizations. Especially it seems like the union uses extrinsic rewards to attract resources especially at the beginning of the relationships. Perhaps in hopes of turning an agent type relationship with an employee or member into a steward type of relationship as found by Van Slyke (2016) and by doing so create a situation where they can contain there members and employees to create a higher mission attachment as Brown and Yoshioka (2003) found to be true.

6.3 Interviews with the members

When it comes to the findings regarding the members' perception of their respective union representatives it became obvious that the members believe that the representatives are stewards. The findings showed that the members believed that the representatives always look after the best interest of the members; they state the importance of trusting in the representatives amongst other characteristics that connect to the belief that the representatives are stewards. With the consideration that of course members of different regional organizations can have a different perception, members in other parts of Sweden might have different structures and openness than that of the offices in Jönköping. As such perspectives of the labor union

organizations might highly differ between different places. It is however very interesting that the members perceive the labor union representatives as stewards because it shares the sentiment that workers within in non-profit organizations, due to low pay, must be motivated by fulfilling the organizations' mission (Kristof, 1996; Mason, 1996; Park & Word, 2012).

This partly answers the question of why the unions still have members despite the different scandals that arose. That they still believe that the representatives are doing what is best for the members and the organization even though there have been instances where there have been showings of the opposite behavior as showed in the introduction. However, one could also argue that the fact that the members perceive the representatives as stewards makes them more vulnerable to disappointment when instances as those mentioned in the introduction of agent type behavior occur. In this line of thought the members put the representatives on such a high pedestal and express a lot of trust in them, and when that trust is broken the repercussions could be substantial. As Angwin et. al (2004) argued, that it is important to consider whether the dialogue between the two parties assumes that the representatives are stewards or agents. In this case, the members assume a steward, and thus if the representatives are in fact agents the relationship between the two parties can deteriorate.

From our interviews, one member expressed awareness of the recent scandals but still believed that the majority of the representatives are pursuing paths that are in the interest of the members. The member still has trust in the management of the organization which leads us to believe that the explanation that members that have the perception of the representatives as stewards are more likely to stay in the organization despite and as the members we have interviewed had been members for a long time they would express a higher mission attachment (Brown & Yoshioka, 2003).

The members also express the importance of trust within the organization, that the members must have trust in those who represent their interests. Regarding this, one could believe that perhaps the default mindset of people who joins the union would regard the labor unions representatives as stewards. Because if people would believe that the representatives are agents and thus pursues their interest above the organizations and are only driven by extrinsic rewards, then why would people join the organization?

However as shown in our findings people are more intricate than just expressing steward or agent type behavior as previous studies (Angwin, et. al 2004; Chrisman et. al, 2007; Grundei, 2008; Vega & Keenan, 2016) also have shown, and even though our interviews with the

members shown a more distinct belief that the representatives are stewards, the same could be for the perceptions of human beings. That we do not solely believe that people are agents or stewards, instead we believe that people are a mixture of different types of behaviors. And the ones who believed that the labor union representatives are leaning more towards a steward might join the organization and stay with them. As such when the relationship assumes a steward but the representatives are an agent, the relationship between the members and representatives deteriorate which explains why people leave the union when scandals are revealed which was argued by Angwin et. al, (2004).

6.4 Communication between labor unions and members

When it comes to the way that labor union communicates their decisions and results to their members, the question that arose was whether the unions use open communication and high participation with their members? The use of open communication and high involvement instead of a control-oriented approach would indicate that the unions are using a stewardship approach in their governance (Davis et. al, 1997; Hernandez, 2012.

What we found from our interviews with the members and representatives of the different labor unions was that there exist multiple ways of communication between the unions and the members, and the members that we interviewed were aware of the communication ways that the unions use. There seemed to be a lot of information given from the unions through meetings, websites, social media, newspapers, and email. Thus, would indicate a culture of open communication.

However, when looking at the structure of the labor unions it becomes perhaps clearer why not the members are retrieving the information. There seems to be a lot of layers within the union and information flows from the top to the members in multiple sections. From a national congress meeting to the regional offices further on to the local representatives and lastly to the members. Possibly this bureaucracy is a sign of a more control-oriented approach (Davis et al., 1997) since the members of a local unionized workplace would of course not be as involved in the national congress meetings as the regional representatives and much less than the national representatives. This causes information asymmetry which causes us to believe that even though the labor union at the regional level might have open communication with its members it might not go all the way to the top.

However, one of the members that we interviewed said that it is important for the members themselves to show some initiative and look for the information themselves. It was also said from one of the members that he/she perceived that the current chairman was good at making the members more involved in the process, this does show that the organization does have a culture of involvement orientated governance as well as open communication. This suggests that the unions have a more stewardship-based way of governance at least at the local level. However, further up in the hierarchy, the approach becomes more control oriented.

7 Conclusion

In this chapter, the conclusion of the study will be presented through the findings that have been collected with the help of the theoretical and empirical material. In the last section of this chapter, the limitations of the study will be presented followed by suggestions and thoughts for future research.

In this chapter, the conclusion of the study will be presented through the findings that have been collected with the help of the theoretical and empirical material. In the last section of this chapter, the limitations of the study will be presented followed by suggestions and thoughts for future research.

By analyzing and exploring the mechanics of governance within labor unions in the past couple of months, this thesis has explored whether the representatives of the labor unions within the Jönköping area acting as agents, as introduced by Jensen & Meckling (1976) or as stewards, introduced by Davis et al. (1997), as well as how they are perceived by the members.

There have been cases of fraud both in private companies and public companies, both nationally and internationally. These frauds and wrongdoings by certain individuals and organizations have led to mistrust for managers and organizations at all different types of professions and branches (Fortune, 2009 & Aftonbladet, 2018).

The labor unions in Sweden have received their fair share of critics and mistrust during the recent years where it has been revealed by media that different labor unions have been using funds for personal benefits for the management teams in the form of expensive trips, luxury hotels, first-class flights, and expensive dinners. Funds that come out of the workers and other employees in the belief that these funds will be used for the benefit of the members and to fight wrongdoings by employers (Aftonbladet, 2016; Aftonbladet, 2017 & Aftonbladet, 2018).

Due to these unfortunate events, the need and idea for this thesis were born. Based on a qualitative analysis in the form of interviews with managers of the different labor unions and its members, the use of the two opposing theories the agency theory, and the stewardship theory the research question are answered and explained whether the representatives of labor unions are agents or stewards.

When analyzing the findings, it was found, similar to previous studies (Angwin et. al, 2004; Chrisman, 2007; Vega & Keenan, 2016), that people are more intricate than what both the theories propose. A person can possess conflicting characteristics. For example, you can work at a non-profit organization and be very motivated to perform the task and job that you do for a lower wage. However, if someone comes along and offers you a different, less stimulating job with huge wages and bonuses you might consider this offer even though you are intrinsically motivated. Thus, the governance of these types of organizations is not simply black and white.

The findings concluded that the union representatives are leaning more towards being stewards rather than agents. In accordance with previous studies, (Light 2002; Serra et al, 2011; Park & Word, 2012), the representatives of this study showed that they were being motivated through stimulating tasks, high mission attachment of benefiting the members in the long term, and a more open-communication, high-involvement culture, all signs of a steward. However, as other studies have shown (Angwin et. al, 2004; Chrisman 2007; Vega & Keenan, 2016), this study also found occurrences where the representatives provided signs of an agent. Even though there have been attempts at combining the two theories as Grundei (2008), I do not believe that a theory will ever reflect reality in a way that simply one way can be used for optimal governance. I do however believe, as Angwin et al (2004) argued, that the optimal way of governance is through recognizing what type of employees do you have? Agents or stewards? What is your current relationship structured as? In this way, one could more effectively motivate and create a more appropriate environment.

When asking the members of their perceptions of the representatives of their respective unions there was a clear indication that the members believed that the representatives were stewards. However, this could be problematic because if the members assume the representatives to be stewards when in fact, they are agents, they can be exploited and the relationship with the union can deteriorate. The union must therefore ensure that the interest of the members is not falling into the wrong hands. Which previous scandals (Aftonbladet, 2016; Aftonbladet, 2017 & Aftonbladet, 2018) show the lack of due diligence made.

We also found that the representatives which had been involved in the organization for a long time showed a high mission attachment, affirming findings by Brown & Yoshioka (2003), that a long time within an organization increases the mission attachment. Thus, a relationship that has started as an agency relationship can become more stewardship-based relationship with time. The labor unions should therefore be aware that new employees might not share the same mission attachment as those who had been involved longer and do perhaps warrant other

stimulants. We also found that there was a lot of focus upon extrinsic rewards not by the representatives themselves but rather the unions as a whole on their respective websites which could show as (Lanfranchi & Narcy, 2006; Lanfranchi, Narcy & Larguem, 2010; Chen, 2014; McGinnis Johnson & Ng, 2015; Andrade & Westover, 2020) found, that there might exist situations where the union and the unions representatives intrinsic motivators might be overridden by extrinsic rewards.

To conclude this study, it may now be apparent that there is no clear answer or explanation to whether the management of a labor union is acting as agents or stewards. It seems like the representatives are leaning towards being stewards, however, they are still torn between acting as stewards for its members and act as agents for themselves and the upper management. The fundamental idea of the labor union is to serve its members, all their work and efforts should in one way or another lead to a better or improved work environment for their members. But at the same time, the labor union is not that different from another organization regarding the need for continuous streams of capital. Like any other business, the labor union is dependent on an inflow of capital to be able to conduct its day to day operations, pay salaries to its employees and managers and pay for its facilities. The high focus upon member recruitment shows this as well as the high use of extrinsic rewards of becoming a member as well as recruiting others. The unions should, however, be aware that the use of these extrinsic motivators could attract the "wrong" type of representatives as well as members who are not inherently attached to the mission. Therefore, the unions should be restrictive using these even though member-recruitment is important. I believe that more focus should instead lie upon the existing members, involve them more, and make sure they stay within the union.

7.1 Limitations

The findings of this study have to be seen in light of some limitations. The sampling size used in this study consists of four labor unions and within those labor unions, there were interviews conducted with two members, three chairmen, and lastly two managers. There are more labor unions in Sweden working with the same type of tasks and more people within the labor union with different positions. The author were not able to include all parts who may have contributed to a complete sample size due to various reasons such as the researcher's convenience, available time, and resources.

Another limitation closely to the method used is the data collection process itself. Some of the interviews were conducted between the researcher and the respondents in the same room and one interview was conducted over the phone. The question here is if the presence of the author influenced the responses which lead to the follow-up question if the answers would be different if all the interviews would be conducted over the phone. Some of the research questions may have been received as sensitive and private which may have influenced the responses received while being in the same room as the test subjects, this may very well have been the case with the interview conducted over the phone as well since the test subject may not see the researcher physically but nevertheless feel like some of the questions are of the sensitive and private nature. The point here is that the data collection process may inflict limitations of different sorts and need to be reflected.

7.2 Future research

There are similar studies and research as the one conducted in this case but there is plenty of room for further studies, both quantitative and qualitative studies. This study does not cross all of the boxes within the area and there are still gaps that need to be filled out.

There are other nonprofit organizations out there with different mission statements than the conventional organization regarding making a profit. But surely, not so different from the regular organizations the nonprofit organization is in a need of a continuous capital stream to survive and to be able to conduct its everyday activities, pay its fixed and non-fixed costs. Some studies can be made in their cases and investigate the journey of the capital in their organizations, where it originally comes from, and how it is spent and used in non-profit organizations.

The study conducted in this case had the main focus of investigating the labor unions in Sweden, which position the management of the labor unions has and how they account for their capital and to their members. The one factor that ignited the fire to which the author found a need to investigate what happens behind the curtains in the labor unions was the misconduct of organizational funds by the management. If this misconduct had not reached the surface the idea behind this study may not have been born.

After this information had seen the light of day a lot of questions and concerns had come forth and this led to a lot of controversies. Questions regarding the trustworthiness of the non-profit organizations have been brought up and whether the non-profit organizations use the capital for

organizational purposes only or if it is being used for other non-organizational purposes as well. There are more room and opportunities for further studies in other branches and professions who state that they are a nonprofit organization.

Since this study was conducted on a local level with local representatives the findings are limited to this level of representatives. There are opportunities for research whether representatives on the national level of the organization have similar characteristics or even different characteristics. Considering that these representatives have more influence over the respective organizations as a whole the findings of such a study can be interesting.

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Appendix 1

Interview Questions (English)

To the labor union management

1. Tell us about your background. Previous jobs.
2. How long have you had your current position?
3. Why did you join the organization in the first place?
4. What are your responsibilities?
5. Why should people join the organization?
6. What do you do to increase the number of members?
7. Do you report your activities, actions and decisions to your members? How do you do so?
8. Do you do any actions in order to increase your relationship with the members?
9. How is the performance goals set? Who decides on the goals?
10. What is good/bad performance?
11. Do you get any recognition for your performance? How are you rewarded or punished?
12. Can you describe the relationship within the organization?
13. What type of a person would fit into working for your organization?
14. What is the best thing about your current position?
15. What is not so great about current position?
16. How are decisions made within the organization? Are you told what to do or are multiple people involved in the decision-making process?
17. What does the organization spend its funds on?
18. How do you control that the management are pursuing the goals of the organization?
19. Consider a member of the union have been mistreated, maybe fired without grounds, how can the member get help from the organization? What is the process?

To the members

20. Why did you first join the union?
21. How did you find out about the union? How were you recruited?
22. What is your experience with the union?
23. Do you feel the management makes decisions in your interest?
24. In what situations can the union help its members?
25. Why do you think that others should join the union?
26. How do you find out the union's commitment?
27. What are the benefits about being a member of the union?
28. What do you think the union could improve?
29. How do you evaluate the performance of the union? What is good/bad?
30. Do you know what the union is spending its funds on? How?
31. How do you assure that the union is using members fee's properly?
32. What happens if the members do not feel that the management have done its job?
33. Do you feel that the union can listen to you?
34. Do the union do anything to make you feel appreciated?
35. What kind of power can the members exercise?
36. How important is trust within the union? Why?
37. How does the management of the union communicate information to you as a member? Do you feel this information is enough? Are there any reports you can read to know how the management makes decisions, reports on their actions?

Appendix 2

Interview questions (Swedish)

Till den fackliga ledningen

1. Berätta om din bakgrund. Tidigare jobb etc.

2. Hur länge har du haft din nuvarande position?

3. Varför gick du med i organisationen i första hand?

4. Vad är ditt ansvar?

5. Varför ska människor gå med i organisationen?

6. Vad gör ni för att öka antalet medlemmar?

7. Rapporterar ni era aktiviteter, handlingar och beslut till era medlemmar? Hur gör ni det?

8. Gör ni några åtgärder för att öka er relation med medlemmarna?

9. Hur sätts prestandamålen? Vem bestämmer målen?

10. Vad är bra/dålig prestation?

11. Får du något erkännande för din prestation? Hur belönas eller straffas du?

12. Kan du beskriva förhållandet inom organisationen?

13. Vilken typ av person skulle passa att arbeta för er organisation?

14. Vad är det bästa med din nuvarande position?

15. Vad är inte så bra med din nuvarande position?

16. Hur fattas beslut inom organisationen? Blir du tillsagd vad du ska göra eller är flera personer involverade i beslutsprocessen?

17. Vad spenderar organisationen sina medel på?

18. Hur kontrollerar ni att ledningen eftersträvar organisationens mål?

19. Tänk på att en medlem av facket har misshandlats, kanske sparken utan grunder, hur kan medlemmen få hjälp från organisationen? Vad är processen?

Till medlemmarna

20. Varför gick du först med i facket?

21. Hur fick du reda på om facket? Hur rekryterades du?

22. Vad är din erfarenhet av facket?

23. Känner du att ledningen fattar beslut i ditt intresse?

24. I vilka situationer kan facket hjälpa sina medlemmar?

25. Varför tycker du att andra bör gå med i facket?

26. Hur får du reda på fackföreningens åtaganden?

27. Vilka är fördelarna med att vara medlem i facket?

28. Vad tror du att facket kan förbättra?

29. Hur utvärderar du fackföreningens resultat? Vad är bra/dåligt?

30. Vet du vad facket använder sina peng-medel på? Hur får du reda på detta?

31. Hur kan do försäkra att facket använder medlemsavgifterna på rätt sätt?

32. Vad händer om medlemmarna inte känner att ledningen har gjort sitt jobb?

33. Känner du att facket kan lyssna på dig?

34. Gör facket något för att du ska känna dig uppskattad?

35. Vilken makt kan medlemmarna utöva?

36. Hur viktigt är förtroendet inom facket? Varför?

37. Hur kommunicerar ledningen i facket information till dig som medlem? Känner du att den här informationen är tillräcklig? Finns det några rapporter du kan läsa för att veta hur ledningen fattar beslut, rapporter om sina handlingar?