# New approaches to employee voice and participation in organizations

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## Abstract

While the history of employee voice and participation is longstanding, there has been a sharp increase in interest in these topics among academics, practitioners, and policy-makers in recent years. The research on employee voice and participation has therefore significantly broadened, expanding from an earlier institutional focus to also include significant behavioural and strategic streams. This article introduces a symposium that extends our knowledge of employee voice and participation in terms of new organizational forms, practices and processes that affect the nature, structure and conditions of work and organizations by showcasing the breadth of contemporary research on voice and participation.

Employee voice and participation are very broad terms with considerable width in the range of definitions given by authors (see for example, Dietz et al., 2009; Poole, 1986; Sashkin, 1976; Strauss, 2006). This width is particularly sharp across different disciplinary traditions from political science, psychology, law, management and industrial relations that have distinct perspectives on participation, voice, and other overlapping terms such

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as involvement, empowerment, and democracy (Wilkinson et al., forthcoming). As Heller et al. (1998: 15, emphases in original) noted:

> Definitions of participation abound. Some authors insist that participation must be a group process, involving groups of employees and their boss; others stress delegation, the process by which the *individual* employee is given greater freedom to make decisions on his or her own. Some restrict the term 'participation' to formal institutions, such as works councils; other definitions embrace 'informal participation', the day-to-day relations between supervisors and subordinates in which subordinates are allowed substantial input into work decisions. Finally, there are those who stress participation as a *process* and those who are concerned with participation as a *result*.

According to Marchington and Wilkinson (2005) participation can be differentiated into direct communication, upward problem-solving, or representative participation. The first two of these are essentially direct and individually focused, often operating through face-to-face interactions between supervisors/first line managers and their staff. Some take the form of informal oral or verbal participation, while others are more formalized in the form of written information or suggestions. The third form centres on the role that employee or trade union representatives play in discussions between managers and the workforce, via mechanisms such as joint consultation, worker directors or collective bargaining. Importantly, these arrangements raise major issues to do with the distribution of power and influence within organizations, and the legislative framework of the country in which the employing organization is located. These forms of participation also raise questions about how the financial benefits are allocated, who makes decisions about their distribution, and how the financial and economic context impact on those decisions.

Debates and discussion about these topics are not new. The first century Roman farmer Columella consulted his slaves because 'they are more willing to set about a piece of work on which they think that their opinions have been asked and their advice followed' (Columella, 1941: 93). The German parliament considered requiring workers' committees as early as 1848, and such committees were first required in the war-sensitive coal industry in 1905 to alleviate labour–management conflict (Müller-Jentsch, 2008). The early 20th century writings of Sidney and Beatrice Webb in Great Britain, John R. Commons in the United States, and other founders of the academic field of industrial relations frequently emphasized themes of industrial democracy and collective bargaining because of a belief in the importance of employee voice (Kaufman, 2004). By the mid-1920s, US employers had created more than 400 employee representation plans covering more than one million workers, and a decade later the National Labor Relations Act encouraged the formation of independent labour unions as the only route to legitimate employee voice (Bernstein, 1960). However, the decline of unions has led to greater interest in other forms of participation and voice, some of which are very different to earlier notions of participation that were rooted in industrial democracy.

Much research on individual employee voice has been dominated by applications of Hirschman's (1970) exit-voice-loyalty framework in which dissatisfaction can be expressed by quitting or complaining. Much of this research closely connects employee voice to the presence of labour unions. On an individual level, the exit-voice framework is used to posit that unionized individuals will be less likely to quit because unionized

grievance procedures provide a voice mechanism (Freeman, 1980) and that loyalty affects the choice between exit and voice (Boroff and Lewin, 1997). At the organization level, Freeman and Medoff (1984) asserted that unions not only provide employee voice, but that this collective voice is economically superior to exit and individual voice because of collective, majority-based decision-making. Much of the traditional research has therefore focused on analysing the degree to which labour unions affect compensation, benefits, and productivity (Bennett and Kaufman, 2007) and how voice works is an implicit rather than explicit part of this research.

Equally much of the human resource management literature espouses the importance of participation and voice, although often in very specific ways in terms of getting employees to contribute more effectively to the business using their skills and knowledge. Participation consequently features in most definitions of high commitment human resource management. A review of studies by Handel and Levine (2004: 38) suggests that participation 'can improve organizational outcomes if the reforms are serious'. However, while business imperatives may lead to more employee voice and participation initiatives, these initiatives are also embedded in concepts of industrial citizenship, and organizational democracy (Harrison and Freeman, 2004). Furthermore, these concepts are grounded in even more fundamental notions of free speech and human dignity for which supporting arguments are often expressed in political, moral and religious terms (Budd, 2004). The empirical evidence on the effects of participation for workers' welfare, however, is mixed (Handel and Levine, 2004).

While the history of employee voice and participation is longstanding, there has been a sharp increase in interest in employee voice and participation among academics, practitioners, and policy-makers in recent years. Among employers, the breakdown of the mass production era and the resulting quest for high-performance work practices that deliver flexibility and quality has generated widespread experimentation with methods for sharing information and consulting with employees, involving employees in workplace decision-making, and soliciting feedback (Boxall and Purcell, 2008). At the same time, the global decline in union membership has opened the door for alternative voice mechanisms while also prompting renewed debates over the need for union voice and supportive public policies.

These developments have significantly broadened the scope of research on employee voice and participation in organizations. Employee voice is being redefined in ways that go beyond the exit-voice framework's focus on expressing dissatisfaction (Dundon et al., 2004, Wilkinson et al., 2004). After reviewing the variety of meanings, Dundon et al. (2004: 1152) identify four different manifestations of voice. First, voice can be articulated as *individual dissatisfaction* that is aimed at a specific problem or issue with management. Second, voice can be an expression of *collective organization*, which is a countervailing source of power to management (for example, through trade unions). Third, there are voice arrangements that contribute to *management decision-making* and are concerned primarily with efficiency and productivity improvements (often coupled with high involvement management and high commitment initiatives). Fourth, another form of voice can be expressed through *mutuality* of interest in the form of an employee–employer partnership aimed at securing long-term viability and sustainability for the organization and its employees. Overall, the application of and rationale for voice at the workplace may be based on economic, moral/ethical or pragmatic grounds. In light

of the literature, two issues concerning voice can be highlighted: first, the way employers articulate employee voice in the light of regulation, and second the linkages between employee voice and employee satisfaction and its perceived effectiveness.

The centrality of voice in high-performance work systems has drawn management and behavioural scholars into the research domain on voice, and has elevated the importance of understanding voice-performance linkages for individuals and organizations (Boxall and Purcell, 2008). Declining union membership has renewed interest in the fundamental importance of voice (Budd, 2004) while also prompting inquiries into what forms of voice employees want (Freeman and Rogers, 2006; Freeman et al., 2007) and what public policy reforms are necessary to support broad forms of voice (Befort and Budd, 2009). The rise of non-union voice mechanisms has sparked debates over the functioning and legitimacy of alternative forms of voice (Gollan, 2006).

The research on employee voice and participation has therefore expanded from an earlier institutional focus to also include significant behavioural and strategic streams (Dundon and Gollan, 2007). The purpose of this symposium is therefore to extend our knowledge of employee voice and participation in terms of new organizational forms, practices and processes that affect the nature, structure and conditions of work and organizations by showcasing the breadth of contemporary research on voice and participation.

In 'If you build a remedial voice mechanism, will they come? Determinants of voicing interpersonal mistreatment at work', Karen Harlos (this issue) examines personal and situational factors that determine whether employee voice is used to remedy interpersonal mistreatment in the workplace. Using data collected from graduate business students at a Canadian university who responded to a hypothetical scenario, the results support an integrative approach to modelling remedial voice that includes aspects of persons, situations, and their interactions. Specifically, gender, work self-esteem, and relative hierarchical power are found to be key determinants of using a formal employee voice mechanism, and two moderating relationships are supported: power relations between the offender and target appear to moderate between gender and remedial voice, and power relations appear to moderate the effect of work self-esteem on remedial voice. This article highlights the importance of power relations in understanding employee voice, and the usefulness of a social psychological perspective for researching employee voice and participation.

Factors that influence when workers participate in a formal voice mechanism are also analysed by Christina Cregan and Michelle Brown (this issue) in 'The influence of union membership on workers' willingness to participate in joint consultation'. Specifically, this article focuses on individual receptivity to participating in a joint consultation committee (JCC) in a unionized environment at a large Australian public sector organization. Uniquely, the authors apply a theoretical approach derived from consumer services to generate hypotheses regarding employee participation in collective activities. Their survey data reveal that in combination with other factors, union membership status had a significant impact on employee willingness to participate in a JCC. Importantly, the interaction results suggest that that the relationships between this willingness to participate with respect to each of ideological outcomes, instrumental outcomes, and HRM issues and collective bargaining issues, was influenced by whether a worker was a union member or not. Overall, the findings suggest that union members did not perceive joint consultation as a separate domain from union-based collective voice and were willing to

participate in a JCC in order to extend the boundaries of consultation. However, a separate domain thesis was supported by the finding that non-members viewed the JCC as an alternative form of employee representation in which sectional interest and associated membership costs were not required.

A traditional framework for considering when workers choose to use voice is the exit, voice, loyalty, and neglect model. This model has been extensively analysed in Western countries, and Kamel Mellahi, Pawan Budwhar and Baibing Li's (this issue) 'A study of the relationship between exit, voice, loyalty and neglect and commitment in India' refreshingly extends this line of research to a new cultural context. Moreover, previous research has found that employee commitment is an important determinant of whether dissatisfied individuals choose exit, voice, loyalty, or neglect, but a singular focus on organizational commitment has not allowed research to capture the impact different types of commitment have on employees' actions. Using data from a survey of Indian managers, this article explicitly distinguishes between team commitment and organizational commitment. Contrary to what one might expect, no form of commitment had a direct and significant association with exit. The authors consequently speculate that the growth of the Indian economy might have enabled high levels of mobility for all employees, or in the collectivist culture of India employees might subordinate personal goals for the sake of the organization regardless of attachment to the organization. They find some support for the assumption that attitudinal commitment is associated with the use of voice, which is consistent with Western research that shows how staff with high attitudinal commitment are more likely to use voice, but is contrary to the ideas about voice in high power distance cultures. More research on voice and participation across different cultural contexts is needed.

Turning from the determinants of individual participation in voice mechanisms to the effects of employee voice and participation, Jaewon Kim, John Paul MacDuffie and Frits Pil (this issue) analyse the effects of team voice and worker representative voice, as well as their interaction, on labour productivity in 'Employee voice and organizational performance: Team versus representative influence'. Of particular note, this research centres on teams' influence on key work-related issues and worker representatives' influence on collective voice issues rather than simply assessing the presence of teams or unions. Drawing data from automotive assembly plants from around the globe, the findings reveal that when examined solely, neither channel of voice has a significant effect on labour productivity. Rather, the influence of team voice and representative voice on worker efficiency depends on the interaction between these channels of voice. These findings challenge the conventional assumptions of advocates of both direct and indirect voice because neither type of voice on its own consistently predicts better labour productivity. Significantly, even when the two forms of voice are combined, these findings suggest their relationship with labour efficiency is complex because the positive effects of one type of voice are partly offset by them being partial substitutes. Consequently, the two forms of voice can interfere with, or neutralize, each other's positive effects on productivity. The findings suggest that this occurs more frequently than the mutual reinforcement some might expect. However, consistent with recent European policy-making on employee participation and voice, the combination of both forms of voice does ultimately have a positive impact on performance and productivity. Overall, the findings therefore reinforce the importance of increasing various forms of employee voice for greater positive organizational outcomes.

Jonathan Lavelle, Patrick Gunnigle and Anthony McDonnell (this issue) examine the incidence of direct and indirect employee involvement mechanisms within multinational corporations (MNCs) in 'Patterning employee voice in multinational companies'. They note that the traditional vehicle for voice via unions has declined but that there is the potential for new forms stimulated by the European Information and Consultation Directive, and they use a new framework to identify a number of approaches to employee voice. Using a sample from Ireland, they point to MNCs having significant levels of engagement with all forms of voice. But weaker voice mechanisms are more prevalent than stronger voice mechanisms, a finding that reflects recent research indicating employers have a preference for communication based channels over participatory ones. They note that the move towards non-union structure could be significant especially with overall declining density and the potential for MNCs to act as innovators. As well as reporting on the incidence of voice, they also discover four different approaches. The most common was to only employ an indirect voice structure (either union or non-union representation). Second was a dualistic approach where there was both direct and indirect voice. Third was an emphasis on direct voice and the final was a minimalist approach. Regression analyses further identify factors such as country of origin, sector, the EU directive and date of establishment as having varying impacts on the approaches to employee voice adopted by MNCs.

In 'Antecedents and outcomes of information disclosure to employees in the UK, 1990–2004: The role of employee voice', Riccardo Peccei, Helen Bewley, Howard Gospel and Paul Willman (this issue) use the Workplace Employment Relations Survey (WERS) to analyse information sharing with British employees. A number of literatures, including from the fields of accounting and also IR/HRM, predict that information disclosure should be increasing, and the authors use time lagged probit regression to analyse the effects of voice mechanisms on disclosure and the impact of disclosure on financial performance. Of particular concern is whether there has been a decoupling of disclosure from representative voice with the result that over time union and joint consultation has a diminishing impact on levels of information sharing. The argument is that as unions decline, they are less able to extract information from management on key aspects of the business. This article finds that there was an upward trend in disclosure between 1990 and 1998 but this levelled off between 1998 and 2004, consistent with a progressive decoupling of information sharing from representative voice mechanisms. Whether information disclosure is being channelled via more direct forms of participation is not clear. A pay off in terms of higher financial performance is also found, but despite this, many managers show little inclination to share information and the proportion of workplaces where this is the case has not decreased.

Taken together, these articles highlight the stimulating breadth found in today's research on new approaches to employee voice and participation – breadth that spans multiple disciplines, incorporates new behavioural and strategic questions, uses diverse empirical methodologies, and attracts interest from all corners of the globe. These new approaches not only greatly enhance our understanding of employee voice and participation, but hopefully will also help policy-makers, employers, and employee advocates design more effective voice and participation mechanisms that serve the multiplicity of interests inherent in the modern employment relationship.

## Acknowledgements

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