

# **The Changing Patterns of Employee Voice: A Comparative Perspective from the UK and Ireland**

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## **THE CHANGING PATTERNS OF EMPLOYEE VOICE: A COMPARATIVE PERSPECTIVE FROM THE UK AND IRELAND**

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## THE CHANGING PATTERNS OF EMPLOYEE VOICE: A COMPARATIVE PERSPECTIVE FROM THE UK AND IRELAND

### ABSTRACT

*In this paper we examine a wide range of employee voice mechanisms from a total of 18 case studies. The evidence suggests that employee voice is more extensive in terms of its 'scope' and 'impact' than a decade ago, although the 'level' at which employees have a say remains the preserve of managerial control. We also suggest that regulation (in the form of EU Directives) and the role of trade unions (in terms of partnership arrangements) acts as both a conduit for more effective employee contributions, as well as stimulating more creative managerial choices about employee voice. More problematic however is the link between voice and organisational performance.*

## Introduction

The last decade has seen a growing interest in the notion of employee voice, both from those seeking higher levels of organisational performance and from those desiring better systems of employee representation. The European Directive on Employee Information and Consultation is also likely to strengthen the notion of employee voice in public policy circles. Given that the UK and Ireland are the only two EU member states that do not have a general statutory framework to ensure employee involvement, the transposition of the Directive into domestic legislation is expected to be highly significant (Hall et al, 2002). Indeed, Article 1(2) of the Directive states that the 'practical arrangements' for informing and consulting employees must 'ensure effectiveness'.

Until 1979, the pattern of employee voice in both Ireland and the UK followed broadly similar trajectories. In the UK more direct and individualistic forms of employee involvement took precedence following the Thatcher assault on trade unions. In Ireland collective bargaining, worker directors on the board of semi-state industries and joint consultation have all remained much more prominent. The collective spirit of employee representation in Ireland has even been linked to phenomenal rates of economic growth (Sabel, 1996; McCartney & Teague, 1998). In the UK also, several studies appear to indicate a positive relationship between voice and organisational performance (Patterson et al, 1997; Sako, 1998; Gollan, 2001; Guest & Peccei, 2001).

However the relationship between participation and performance has not gone unchallenged. In Ireland, Roche & Geary (2002) question the extent to which new forms of collaborative production have taken hold, and D'Art and Turner (2002) demonstrate a strong 'them and us' divide between management and workers despite the institutional support for employee participation. Similarly, drawing on the Workplace Employee Relations Survey (WERS) series in the UK, Millward et al (2000: 137) note that perceptions of 'fair and independent voice' seem to be related to the presence of a recognised trade union and union representation on a formal joint consultative committee.

In this article we suggest that employee voice is more extensive in terms of its *scope* and *impact* than a decade ago, although the *level* at which employees have a say remains the preserve of managerial control. We also suggest that regulation (in the form of EU Directives) and the role of trade unions (in terms of partnership arrangements) act as both a conduit for more effective employee contributions, as well as stimulating more creative managerial choices about employee voice. However, we also express caution in terms of directly linking voice with sustained organisational performance.

## **2. THE CHANGING ENVIRONMENT FOR EMPLOYEE VOICE**

Despite differences in the institutional, legal and market influences among different nations, the emergence of direct forms of employee voice have received increasing attention (Applebaum & Batt, 1994; Roche, 2000; Marchington & Wilkinson, 2000; Armstrong, 2001; Marchington et al, 2001). A number of perspectives have been used to assess the dynamics of different forms of employee involvement and participation. Ramsay (1977) suggests that managerial interest in employee voice is shaped by a 'cycle of control'. He argues that employers are interested in sharing information and consulting with employee representatives only when their authority is under threat from organised labour. When the threat has diminished, managers lose interest in employee voice and allow the mechanisms to fade or become redundant. In contrast, Marchington et al (1992) argue that employee involvement has developed in 'waves'. The argument is that managerial interest in employee voice is shaped by a variety of internal and external factors. Rather than a cyclical approach determined by control objectives, employers utilise a variety of mechanisms over time - more reminiscent of a wave pattern.

The period of Conservative rule between 1979 and 1997 broke decisively with the 'social democratic consensus' in industrial relations. In Ireland the situation appeared different. The drive for market flexibility and moves towards direct employee involvement sat more comfortably within a neo-corporatist model of partnership and national bargaining (McCartney & Teague, 1998; Gunnigle et al, 1999). Various direct

and indirect mechanisms for employee involvement coexisted for different reasons and under different conditions (Gunnigle, 2001). Today the policy environment in both countries is more sympathetic to trade unions, more animated by notions of employee rights, and supported by new legal regulations and European policy (Ewing 2002). In the UK the election of New Labour in 1997, and their return in 2001, appears to mark another major turning point for employment policy. While both the British and Irish governments remain committed to labour flexibility and considerable management choice, yet they have also been prepared to regulate on behalf of employees and commit to European Social Policy. As a consequence, we have seen in the UK a period of legal re-regulation and in Ireland new laws inspired by the EU.

The European Works Council directive, statutory trade union recognition in the UK, and dispute resolution procedures in Ireland have the potential to directly shape employers' approaches to employee voice. EWCs have given a new trans-national impetus to consultation among both UK and Irish-based multinationals. The TUC interest in consultation (rather than just collective bargaining) and the preparedness of trade unions to work alongside non-union representatives on EWCs, have given consultation a new life. A decade ago, joint consultation in the UK appeared to be declining along with collective bargaining, eclipsed by direct communications and upward problem solving. For large, unionised employers, EWCs have added another level to an already established system of representative participation. For some non-unionised firms, EWCs have offered new opportunities for employee voice (Gunnigle, 2001). In this light, EWCs have been used as a potential stepping stone to more effective union-supported forms of representative participation. In the UK there are already signs of employers trying to pre-empt the possibility of a particular (perhaps militant) trade union being imposed on them by offering voluntary recognition for a selected single union. Equally, employers determined to resist trade union recognition are likely to promote other forms of employee voice as an alternative (Dundon, 2002; Logan, 2002).

## **THE FRAMEWORK AND RESEARCH METHODS FOR THE STUDY**

Voice is a word that has been more widely used in the practitioner and academic literature on HRM and industrial relations in recent years (Beardwell 1998; Sako 1998; Roche, 2000; Benson 2000). In a recent issue of the Industrial Participation Association (IPA) Bulletin, Geoff Armstrong (2001) suggested that voice historically meant collective bargaining, and that this 'chosen method of joint regulation became a straitjacket inhibiting the very things we needed to be doing to win and keep customers'. He acknowledged that management was largely to blame for this. He notes the shift of emphasis to direct involvement methods that are felt to deliver higher organisational performance. In contrast, Margaret Prosser of the TGWU argues that 'the collective voice achieves what the lone voice could never do: it humanises and civilises the workplace. Collective representation is also the foundation of a partnership relationship between employers and unions that brings positive benefits for business' (Prosser, 2001). It is apparent, therefore, that there are competing visions of the term 'employee voice', and that quite different motives can underpin a desire for collective voice than for individual voice.

Voice has an appeal both for those seeking business efficiency and employee rights. In the 'best practice' HRM and high performance literature, voice is seen as a key ingredient in the creation of organisational commitment. Indeed, publications on participation emphasise the importance of giving employees a feeling they are making choices (Walton 1985). As Adler (1992: 141) describes in his account of NUMMI, 'the point is to get workers to participate in defining the standards and encourage them to constantly make suggestions to improve them.' Conversely, the alternative strand sees voice in terms of rights, linking this to notions of industrial citizenship – a concept given greater impetus through membership of the European Union.

The word 'voice' was popularised by Freeman and Medoff (1984) who argued that it made good sense for both company and workforce to have a 'voice' mechanism. This had both a consensual and a conflictual image; on the one hand, participation could lead to a beneficial impact on quality and productivity, whilst on the other it could deflect problems which otherwise might 'explode'. Trade unions were seen as the best agents to provide voice as they were independent and would reduce exit.

Given that the subject of voice has attracted interest from a variety of perspectives and disciplines, it is hardly surprising that its meaning has also been interpreted differently by scholars as well as practitioners (Marchington et al, 2001). For the purposes of this study, we have subdivided the meanings into four principal strands of thought. These are outlined in Table 1.

### **TABLE 1 ABOUT HERE**

First, voice can be taken as an articulation of individual dissatisfaction. In this situation, its aim is to address a specific problem or issue with management, finding expression in a grievance procedure or 'speak up' programme. A second strand is the existence of a collective organisation where voice provides a countervailing source of power to management, through unionisation and collective bargaining. Thirdly, there is voice as a form of contribution to management decision-making. Here the purpose is concerned with improvements in work organisation and efficiency more generally, perhaps through quality circles or teamworking. This perspective on voice is evident in the high involvement/high commitment literature. Fourthly, voice can be seen as a form of mutuality in delivering long-term viability for the organisation and its employees, often through joint consultation, collective bargaining and/or partnership.

A useful framework for employee voice can be seen in Figure 1 below, with voice differentiated along two dimensions. These are (a) individual (based on employees themselves) and collective (based on a union or collective grouping), and (b) shared and contested agendas. This provides four ideal types: upward problem-solving, grievance processes, partnerships and collective bargaining. Of course these are not bald alternatives as organisations can operate on more than one of these dimensions. These two axes are meant to imply tendencies towards, e.g. a shared agenda or contested agenda, rather than absolute differences. Our framework for voice is therefore rather broader and more systematic than those used by most commentators.

### **FIGURE 1 ABOUT HERE**

The research presented in this article was conducted between March and June 2001 in a total of 18 organisations. The approach was qualitative, given both the nature of the information sought and the 'exploratory' character of some of the research themes. The organisations reflected differences in size (small, medium and large), geography (UK and Republic of Ireland), structure (single and multi-site), ownership (foreign and domestic owned), representative systems (union and non-union) as well as different sectors of economic activity. These included financial services, carpet manufacturing, transport (road haulage and aviation), retail outlets, telecommunications, hi-tech engineering, consultancy services, chemicals, call centre operations and a not-for-profit organisation. In addition, seven of the case studies were well known to the research team from a similar project a decade ago. Consequently, data collection involved more than a single snap shot visit; in the majority of cases, it also included some detailed and time-series data. The limitations of the research are that each organisation was visited only once, and interviews were conducted just with managerial respondents. In addition to this however, access to documentary material (such as employee attitude surveys, mission statements, corporate information and personnel policies) was made available.

## **FINDINGS AND ISSUES**

### **Defining Voice**

The term employee voice seems to offer a useful conceptualisation to examine both employer goals and employee rights, with many managers thinking across old traditions such as union and non-union, individual and collective. Their discourse ranged freely between such apparently disparate techniques such as partnership with trade unions on the one hand and informal interactions with employees on the other. On some occasions more than one meaning to the term employee voice emerged as we were able to interview managers from different positions. Overall, respondents defined voice within one or more of the following five ways:

**Communication/exchange of views:** as an opportunity for employees and managers to exchange views about issues, generally on an individual basis but also through a collective consultation process.

**Upward problem-solving:** as an opportunity for employees to provide feedback on specific topics, not so much as a dialogue but more as a way of providing ideas to improve organisational performance.

**Collective representation:** as an opportunity for employee representatives – union or non-union – to communicate the views of the workforce to managers either through partnership or collective bargaining.

**Engagement:** a feeling on the part of staff that they are able to express their views to managers in an open environment and that management will provide support to allow this to happen.

**Say about issues:** the opportunity not just to have a ‘voice’ on issues but an expectation that these views will be taken into account and may lead to changes in how decisions are made

It will be apparent that the first three categories are concerned with processes, the fourth with feelings and perceptions, and the final category with outcomes. Interestingly, not one management respondent mentioned ‘grievances’ as a form of employee voice in their initial definitions. Moreover, even when grievances were discussed as a potential mechanism for employee to have a say, this tended to be viewed as a procedural activity that had little to do with their understanding of the term voice.

Voice as communication was by far the most common immediate response to the question asking managers to explain their understanding of the term ‘voice’. The Operations Manager at Bet.com summed up the ideas of many when he said: *‘we understand this to mean any form of two-way communication, particularly on an individual basis’*. This individualistic perspective to voice was echoed by the HR Manager at Eiretel:

*voice is about corporate communications and the strategy is designed in such a way that all employees can represent their views to management, rather than it just being the other way around*

Notions of collective representation are rather less central to the initial definitions of voice. When we asked for specific examples, it was noticeable that a wide range of collective voice mechanisms was in use. For the Managing Director of the small road haulage firm, Easymove Transport, his relationship with the local shop steward was highly significant. He noted that *'we have union representation on a friendly basis. We have a general dialogue, and we (the owner and the shop steward) might disappear down the pub at 5pm on a Friday and have a chat about what is going on.'*

Two other organisations mentioned collective forms of voice. One of the large financial service organisations, Retail Bank, used the term 'partnership' in referring both to employees' financial stakes in the company as well as to its more contemporary usage in employee relations. Similarly, the HR Manager at Whisky Co also felt that 'employee voice' equated with partnership:

*I would say that it's partnership in its most adult and consensual form. It's partnership because we want to be with each other and because we recognise the advantages of working constructively with the trade union. The more free-flowing the information in the dialogue, the less there are any surprises and so it's a lot less adversarial.*

The most radical and philosophical interpretation of voice came from the Chair of Governors in the school who stressed that *'a collective union voice is a must for our evolution. Each person should have a voice and it does help if the people are organised.'* Collective voice was not just restricted to unionised establishments, but was apparent at quite a number of organisations that operated with staff associations (such as Housing Association) or non-union consultative forums (as at Scotoil and Compucom).

There are structural and psychological aspects to voice, in much the same way that empowerment is seen to constitute both of these. The structural aspects can be

observed from an examination of systems and practices that operate in an organisation, but this does not ensure that employees either feel that they have a voice or are confident in utilising the mechanism. Managers at two organisations made specific reference to this aspect of voice as engagement. The Chief Executive of Aqua spoke at length about the need for voice to be real and not merely symbolic. He said:

*Employee relations is rather like customer relations. It's a bit like treating people in the way that you would like to be treated. This needs to be genuine engagement rather than just tokenism. If you can capture the hearts and minds of people in the business, then very high levels of energy are released. If we think that we can manage organisations in a hierarchical way, we are in for a big shock.*

Whilst many of the respondents talked in general terms about the processes of voice, quite a number also insisted that the outcomes of voice were particularly important. The words used varied between 'influence' and 'say', but broadly they coalesced around the notion of employees having some say or influence over policies and practices. We are not seeking to convey the impression that this represents a situation in which changes are led by employees or that their voice is actually 'heard' by managers. Nevertheless, the distinctive feature of these definitions was that they all related to the potential for employee voice to impact upon outcomes rather just describing the processes used. Many of the managers stressed the importance of informal mechanisms and processes here, rather than just the formal structures that exist in an organisation. The General Manager at ConsultancyCo suggested that:

*Voice is about having opinions and observations heard. How voice is realised, recognised and acted upon is what matters. There is no "real" voice if it is not listened to.*

### **Different forms of employee voice**

Given that seven of the case studies took part in a similar project 10 years ago, there was an opportunity to examine the changing patterns of voice over time. Two findings stood out from this analysis. First, some of the different employee involvement

mechanisms found in 1992 had now been recast or fused into more all-embracing **upward problem-solving** voice mechanisms. There was evidence of less ad hoc choices and that schemes had been more clearly integrated, particularly in terms of employees 'having a say'. The second development is with **representative participation**. In many cases this was through union representation and collective bargaining, although systems for employee representation in non-union firms, or even the co-existence of union and non-union channels at the same workplace, existed across the case studies. Significantly, the role of trade unions in relation to direct involvement had changed markedly. There was some evidence of derecognition as well as new union recognition agreements, although overall senior managers saw value in working with trade unions and appeared to share information with union representatives at earlier stages in the process.

Table 2 provides data on 'employee voice' for the 18 organisations included in the study. As well as categorising the forms of employee voice into the two broad categories identified above, the final column also provides an assessment of the most distinctive of these practices. It is apparent from table 2 that upward problem-solving is reported as the more extensive than representative participation – as we might have expected from other recent studies (Cully et al, 1998; Gill & Krieger, 1999).

## **TABLE 2 ABOUT HERE**

### **Upward Problem-solving in Practice**

All the organisations employed downward communications in one form or another, with about one-third making use of **electronic media** to increase the ease by which employees could respond to management or convey their own opinions to senior managers. Not surprisingly, this was more common in the service sector where white-collar workers (and particularly professionals) formed the bulk of staff. At Eiretel, for example, the US Vice President would often send electronic messages to all staff, a practice that has been copied by other senior managers. The system is used to allow staff to post questions about technical or human resource issues direct to senior managers. Whilst in theory these have to be answered, there was some scepticism about the degree to which the whole process was stage-managed.

**Two-way communications** are a major form of voice at all the sites. Most of these are relatively standard in format, but it is worth providing a few examples to show how these operate in practice. At the school, there are daily ten-minute meetings before teaching commences to allow the Head to brief staff on important issues for the day, such as absenteeism and staff cover, important visitors and new information of relevance to the school. A quite different type of arrangement operates at the transport firm. Here, the Managing Director arranges a meeting every few months on a Sunday morning in a local pub. All drivers are invited, and although they are not paid to attend, the company provides bacon sandwiches and a beer kitty. Middle managers are barred from these meetings, which are attended by the Finance Director and the MD. The turnout at these meetings is generally quite high. The Managing Director felt that this represented the best way for him to get information across to staff as well as keep in touch with employee opinion; he reported that the sessions were quite lively!

The use of **employee and attitude surveys** is now much more widespread than a decade ago in most organisations, and it is often seen as an example of 'good' HRM in that staff are being asked for their views on a regular basis. About half the organisations in our sample made use of these. Some of these operate at the sites we investigated as part of world-wide benchmarking exercises for the companies as a whole, with the results then being fed back from corporate headquarters back down the management chain to staff on the shop floor or in the office. In these circumstances, it is unlikely that employees (or managers for that matter) feel any ownership of the results, other than as a benchmarking tool through which to secure improvements in performance.

The vast majority of the case studies reported the use of **project teams** in some form or another. Some of these are central to the operation of the organisation, such as the matrix teams at Compucom and ConsultancyCo that are formed to deal with specific projects and are then disbanded once the job is completed. At Compucom, for example, team members are drawn from different functions within the company – such as finance, development and IT – and teams have autonomy in how to organise their work and how often to meet. Strategy days are held at a number of organisations

in order to involve staff – to a greater or lesser extent – in defining and articulating performance objectives.

### **Representative Participation in Practice**

About two-thirds of the organisations had some form of **joint consultation** operating either at site level or beyond the workplace, compared with about one-quarter for the WERS 1998 sample. JCCs were more common in larger, multi-site workplaces, and about half the unionised workplaces had JCCs compared with all but one of the non-union firms. At some companies, these had been in existence for a long time, and they followed the fairly standard pattern of regular monthly or quarterly meetings between a number of senior managers and the shop stewards. The activity levels of these meetings varied. According to the Manufacturing Director at Scotchem, the meetings with the TGWU tend to be concerned with fairly trivial items such as ‘showers, lockers and overtime levels because things seem to be sorted out at the workplace level.’ This sort of ‘safety valve’ committee was supplemented by the wider meeting incorporating all the unions. These appeared to be more strategic in nature and formed part of the partnership agenda at the plant. The Manufacturing Director explained that:

*This is an opportunity to share the slightly longer-term outlook with these guys following the senior management meeting. I talk with them about the manufacturing plan for the next month and what the issues are. It gives the senior stewards a chance to express one or two of their concerns about the future.*

Several organisations have specifically set up non-union channels alongside the union framework or include non-union representatives at the same meeting as shop stewards. At Midbank, for example, despite a range of mechanisms to consult with unions – such as the Joint Partnership Meeting – a Staff Council has been established with representatives elected by all staff, whether union or non-union:

*The staff council is just a consultation forum. It's just giving them information, it's not a negotiating forum or anything.*

Significantly, the coexistence of union and non-union forms of employee voice was more than an isolated example. Indeed, joint consultation – in one form or another - was widespread at organisations that did not recognise unions for collective bargaining purposes. At Housing Association, a JCC was set up over 20 years ago. The Deputy Director regarded it as:

*A mechanism that has stood the test of time, but it has not been widely used by employees for making their voice heard. However, I can probably count out on one hand the number of really contentious issues that have been thrashed out around the table.*

Seven of the cases had some form of **partnership scheme** in existence, although not all actually termed it that. Perhaps the most extensive and wide-ranging partnership agreement is between Midbank and UNIFI. *The key principles of the agreement relate to 'mutuality and inclusiveness, an acceptance that both parties have distinctive but complementary roles, and an acknowledgement that difficult and contentious issues have to be confronted jointly.* A partnership agreement also operates at Whisky Co under the title 'Working Together'. This uses phraseology that is well-known in these sorts of agreement – mutuality, joint commitment to organisational performance, acknowledgement of separate interests – but it also emphasised the importance of high commitment HRM policies. A section from the agreement noted that:

*The culture (of 'Working Together' in partnership) promotes employee development, participation, flexibility, performance and reward within a framework of excellent communications. The agreement will be the basis of our joint ability to add value to the company's business performance through the creation of an ethical and inclusive environment of opportunity.*

**European works councils** are obviously a relatively new 'voice' structure for most workers in the UK and Ireland. The EWC at Whisky Co came about because the firm is part of a much larger European-owned multinational, that at Eiretel through its part in a large American-owned firm, and those at Scotoil and Southern Shoe due to these UK-owned firms having other sites throughout the rest of Europe. Overall, however, EWCs are seen as a relatively remote mechanism for employee voice - more as

something that was required rather than a mechanism that was seen to add value. Eiretel provided two employee representatives for the EWC, but again this was considered to be too 'distant' for it to be meaningful for employees at the Irish plant. Moreover, it was felt that the agenda was rather narrow and minimalist, in line with the perception that the company had been forced to accept an EWC rather than willingly introduce and develop this. In a similar vein, the EWC at Southern Shoe had only recently been introduced and had yet to find a clear focus.

The final form of voice that we consider is **collective representation**, which existed at about two-thirds of the organisations. Trade unions have always provided a channel for independent voice to employers, either through collective negotiations about wages and conditions or through the pursuit of individual employee grievances. As such, collective representation offers an alternative perspective to the forms that have been discussed so far, the vast majority of which are initiated by employers and are more susceptible to potential managerial influence and control. Additionally, whilst most other forms of voice that have been considered thus far are concerned with how employees can contribute – ultimately – to improved organisational performance, collective representation can provide challenges to current priorities and perspectives as well. The impact on organisational performance may also be positive, but this may well be indirect.

The form and impact of collective representation varied substantially among the organisations and this depended on, *inter alia*, the level of membership, the type of unions and managerial attitudes towards collective representation. In the case studies levels of membership varied from very high to relatively insignificant, collective bargaining took place at different levels across the larger organisations, and the number of unions that were recognised varied from one to four. Significantly, while collective representation figured so little in management accounts of voice, employers with unions still regarded them as a positive force in expressing employee concerns and were prepared to disclose information to representatives much earlier than had been the case a few years ago.

## **The perceived benefits of employee voice**

Given that isolating cause and effect is problematic, one way in which voice may be seen to impact on employee behaviour and performance is the 'indirect' linkage between practice and outcome. Although our respondents agreed that it was difficult to quantify the impact of voice, there was widespread agreement that employee voice acted as the gateway to a more open and constructive industrial relations climate. It is this better climate which was then seen to help identify the links between voice and impact. Many of the managers commented that voice contributed to improved performance because it generated a better environment in which to work. The Chief Executive of Aqua articulated this view:

*We are spending plenty of money on [staff] engagement at the moment. We do it because we believe this adds value and what you tend to get is a slightly chaotic challenging world in which people are prepared to say what they think. I think I can prove the impact of voice. It can be seen in terms of performance and the way the business sparkles. The way that people answer letters, deal with customers over the telephone, their feelings of ownership and pride.*

This indirect relationship between voice and impact has further support in that the mechanisms used were generally part of a much broader HR agenda. Several respondents commented that in practice voice tended to be one of several HR practices – including training, induction, culture change or more open management styles. For example, at Housing Association, employee voice was part of a much wider paternalistic and ethical managerial approach of 'treating employees in a decent way':

*I don't think we set out to say we will use employees to create a profitable or successful organisation, I think it comes from another angle ... we don't bushwhack them and catch them off guard. It's not the kind of atmosphere we want to generate at all ... If you treat your workforce decently and honestly you will reap the benefits.*

When considering any specific or single rationale for why employers bother with voice, then the evidence was less clear. However, what did emerge is a combination

of complementary practices, and for simplicity these have been categorised under three headings. The first we have termed **employee contributions**. Under this, we include employee attitudes and behaviours, loyalty, commitment and co-operative relations, along with employee suggestions. The second theme relates to **improved managerial systems**. This incorporates the managerial benefits from tapping into employee ideas, the informative and educational role of voice along with relations with recognised trade unions. The final theme corresponds to **improved performance**, as perceived by the managers interviewed. Under this heading we include productivity and individual performance, lower absenteeism and (in a few cases) new business arising from employee voice.

**Employee Contributions:** In two-thirds of the case studies, managers reported some improvement in employee attitudes and behaviours as a result of employee voice, albeit to varying degrees. One interesting finding from our sample related to the 'scope' and 'range' of issues on which employees are able to contribute. For instance, team briefings and top down communications are often associated with more trivial matters, yet we find that voice can impact on a broader set of issues including customer relations, organisational strategies, new services and products to clients, as well as internal work systems. At ConsultancyCo, a voice mechanism called 'strategy days' allowed workers 'a say' over the future direction of the company. Directors first outlined company objectives, market issues and prospective clients to the whole workforce, before employees spent the day in small groups discussing these issues and feeding back ideas to a plenary session that agreed an 'action plan'. At Scotchem, an employee relations workshop was one attempt to bring together union representatives and senior managers to work on issues to do with the process of managing employment relations, including the measurement of staff satisfaction that reflected and reinforced new relationships.

Whilst any attempt to unpack voice or draw causal links to enhanced performance is problematic, there does seem to be a strong pattern to suggest that the range of issues employees contribute towards are more far-reaching and extensive than a decade ago, albeit within the confines of managerial control systems.

**Improved Management Systems:** In addition to improvements arising from employee contributions, there are also spin-offs that are believed to improve people management systems and processes. At Scotchem, it was felt that the greater willingness by staff to challenge issues and decisions around the site had an educative impact for management by improving HR systems. At Aqua the feeling was that the way people are managed is much more efficient and responsive in coping with change and market conditions as a result of employee voice. This was rationalised in relation to other authorities or PLCs:

*We have been able to cope with more fundamental changes than many organisations. The other companies have tried to emulate where we have got to and try to harmonise with our position. We have achieved our goals in the shortest time.*

**Improved Organisational Performance:** On the whole, improved performance indicators are perhaps the most difficult to define let alone measure. Several studies, such as those by Huselid (1995), Paterson et al (1997), and Guest (1997), suggest that the most appropriate indicators of improved performance include low levels of absenteeism, productivity improvements and better staff retention rates. However, not all of the organisations maintained adequate absence, productivity or retention statistics that allowed independent assessments of the links between voice and performance. As a result we have to rely upon managerial impressions of the relationship between voice and performance, and it may be that superior organisational performance provides the space and resources to experiment with employee voice.

With these limitations in mind, several respondents expressed their belief that there was a clear link between voice and performance. The HR Manager at Scotchem felt that it would be impossible to gain significant improvements without a large element of voice. He was keen to achieve a situation where people wanted to do much more than just come to work, and felt that such an environment directly contributed to low levels of absence and staff turnover. Interestingly, he suggested that a major advantage of voice was that 'it greased the wheels of industry'. In that sense the link between voice and performance has a resonance with other 'indirect' benefits such as

a more co-operative environment. The Manufacturing Director at Scotchem also felt there were very clear, tangible benefits that had actually emerged from voice:

*quite dramatic and remarkable improvements in quality and productivity, as well as in cost structures at the new plants ... I can see huge differences not just because of the technology, but in the way that people gain advantage from the benefits of the technology and apply it in order to improve performance.*

## **CONCLUSION AND DISCUSSION**

The data presented in this paper contributes to a number of overlapping themes and debates surrounding the future directions of employee voice and employee contributions to organisational performance. In both Ireland and the UK, public policy seems to be tilted towards qualified caution to the general imposition of employee voice. It is argued that works councils for companies of all sizes may deter inward multi-national investment as well as over-burden management. With the passing of the EU Directive on information and consultation the issue of further regulation is likely to be an on-going issue. This will impact directly and indirectly on employer choice for employee voice. Even without the growing uncertainty concerning the future direction of partnership or the extent to which collaborative production regimes have been integrated or not, there remains a rising tide of legal regulation and more sympathetic, if qualified, support for trade union and representative forms of employee voice. The evidence presented here suggests that the link between voice and performance remains problematic.

### **Assessing the high performance link**

While managerial respondents were confident that systems of employee voice have positive impacts on performance, there are a number of reasons to be cautious. First, there is the problem of benchmarking, of assessing the date at which to start making

'before and after' comparisons. For example, should this be the date at which the new voice mechanisms (say, a project team) is actually introduced into the organisation, or should it be some earlier or later date? Another issue relates to the extent to which issues are simply re-channelled rather than created anew. For example, the claim that a suggestion scheme saves money may not take into account the fact that some of these ideas previously have been channelled through a different route.

Second, it is virtually impossible to isolate the impact of just one aspect of management practice (e.g. giving employees a voice) from other factors that can influence behaviour at work. For example, labour turnover is likely to be influenced by the availability of other jobs, and by relative pay levels as much as it is by the presence or absence of voice. Third, many organisations did not measure performance with sufficient precision, nor did they keep absence or labour turnover figures systematically enough to enable valid estimates of any linkage to be made. Consequently, we are largely dependent upon managerial assessments of the perceived impact of voice on behaviour and individual performance at work.

Finally, there is the issue of evaluation and on whose terms. Should assessments be made in terms of merely having a voice (i.e. the process) or in terms of how things may be changed due to voice (i.e. the outcomes)? If it is the latter, then who gains? It remains the case that it is usually employers who decide what voice mechanisms to adopt, at what level and over what range of issues. None of the organisations in this study claimed that they evaluated the impact of voice initiatives as a whole, but when it did take place it was for commercial reasons rather than a result of wanting to give employee more of a say. Broadly speaking, employee voice operated primarily as a loose and imprecise notion that was seen to contribute to competitive advantage, but also as part of a general and broader package of HR practices.

### **Regulation, Voice and Unions**

Despite these cautions, there does appear to be a more systemic alliance of disparate voice mechanisms than there was ten years ago (Marchington et al, 1992). Two-way communications are now rather less about trivia and more about issues to do with operational outcomes. There is a longstanding academic view that effective worker participation in industry is doomed to fail because of the 'arms-length adversarial'

system of industrial relations (Hyman 1995). From this perspective, neither workplace union representatives (focused on job controls and distributive bargaining) nor line managers (concerned to protect management prerogative) are interested in a positive-sum sharing of power that makes for effective employee participation. We found some evidence that this double blockage is becoming a less significant obstacle. In some cases the scope of collective bargaining (in both distributive and integrative terms) incorporated a broader set of strategic policies. A new generation of line managers, union representatives and employees appear more at ease with a set of inclusive (direct and indirect) rather than exclusive (direct versus indirect) voice practices. Managers seem more confident in organising direct exchanges of opinion with employees, while union representatives and employees expect them to do so. In this respect, there has been a normalisation of employee voice that transcends the traditional collective-individualist discourse.

In both Ireland and the UK, trade unions are in a much more complex position than they were a decade ago. Membership and bargaining coverage remains low, particularly among private sector organisations, and employers expect unions to be more in tune with business objectives. Employers now offer places to non-union representatives on committees that used to be the preserve of unions. Trade unions that are prepared to engage in partnerships at enterprise level may be able to take advantage of more open management communications and involvement, with potential added advantages to their members. At one level it would appear that an acceptance of co-operative relations is an essential prerequisite for managerial support of union involvement. Non-union representative forums are present in several of our case studies and, according to the managers we interviewed, they appeared to be working effectively. It is particularly noticeable that no managers put forward the traditional pluralist case for trade union recognition: that conflict at work is inherent in employment relations and trade unions are essential to expressing and institutionalising it. In sum, trade unions were sought, if at all, as one means of drawing employees into co-operation with management, rather than as 'managers of discontent'. At another level, however, union acceptance of managerial objectives for employee voice can be risky. It may equate to collective marginalisation or, worse still, complete derecognition, as evident in a few of our case studies. But it may also

offer unions new choices and opportunities in the context of a regulated employment policy and EU-inspired individual rights.

The decline in trade union power should not be confused with a lowering of employee expectations. Recent management initiatives, such as empowerment, have raised the expectations of many employees, and the managers we spoke with stressed that employees are now more confident in expressing their views. Moreover, the new citizenship rights agenda promoted by the EU pays particular attention to employee rights. As this enters the heart of working life and, in the case of voice, gains institutional forms, it is likely to raise employee expectations and to generate a greater taste for voice. Of course, managers are also employees, and many middle managers in particular already share human rights goals such as equality of opportunity or procedural justice. Rather than confront the clearly identifiable challenge of the old manual working class 'labour movement', organisations are increasingly likely to face a diffuse but persistent range of concerns from highly articulate employees. In this respect, managing employee voice will be closely related to managing diversity.

So far, the debate over statutory regulation in the field of employee voice has been conducted in rather simplistic and polarised terms. On the one hand, exponents of laissez-faire regard all state activity as heavy-handed and deadening in its effect on management creativity, whereas it is argued that, left to their own devices, organisations will see the obvious advantages of innovation. On the other hand, some exponents of employment regulation see it in equally simplistic terms as an institutional blueprint that can simply be imposed on managers with predictable and desirable consequences. It was apparent from this project that managers are central policy actors whatever the state of the legislative framework. They play a key part in adapting and interpreting legislation, corporate initiatives, consultancy panaceas and benchmark schemes to the workplace. No effective scheme for employee voice can be devised in a complete and final form at an EU or national level, because its impact at the organisational and workplace level is always uncertain. The future of employee voice is therefore best understood as a policy dialectic between external regulation and internal management initiative. In this light, research and policy formulation needs to proceed on a planned and phased basis with continuous feedback from policy

implementation, reframing of policy and the dissemination of models of relevant best practice.

From our 18 case studies, in England, Scotland and Ireland, the policy framework acted as a conduit for managerial creativity so as to achieve maximum impact. The case for individual employee voice has been accepted and promulgated by employers, often in tandem with the support of trade unions. Arguments in favour of collective voice have been less well received, but our research would suggest that employers have less to fear from works councils than they appear to think.

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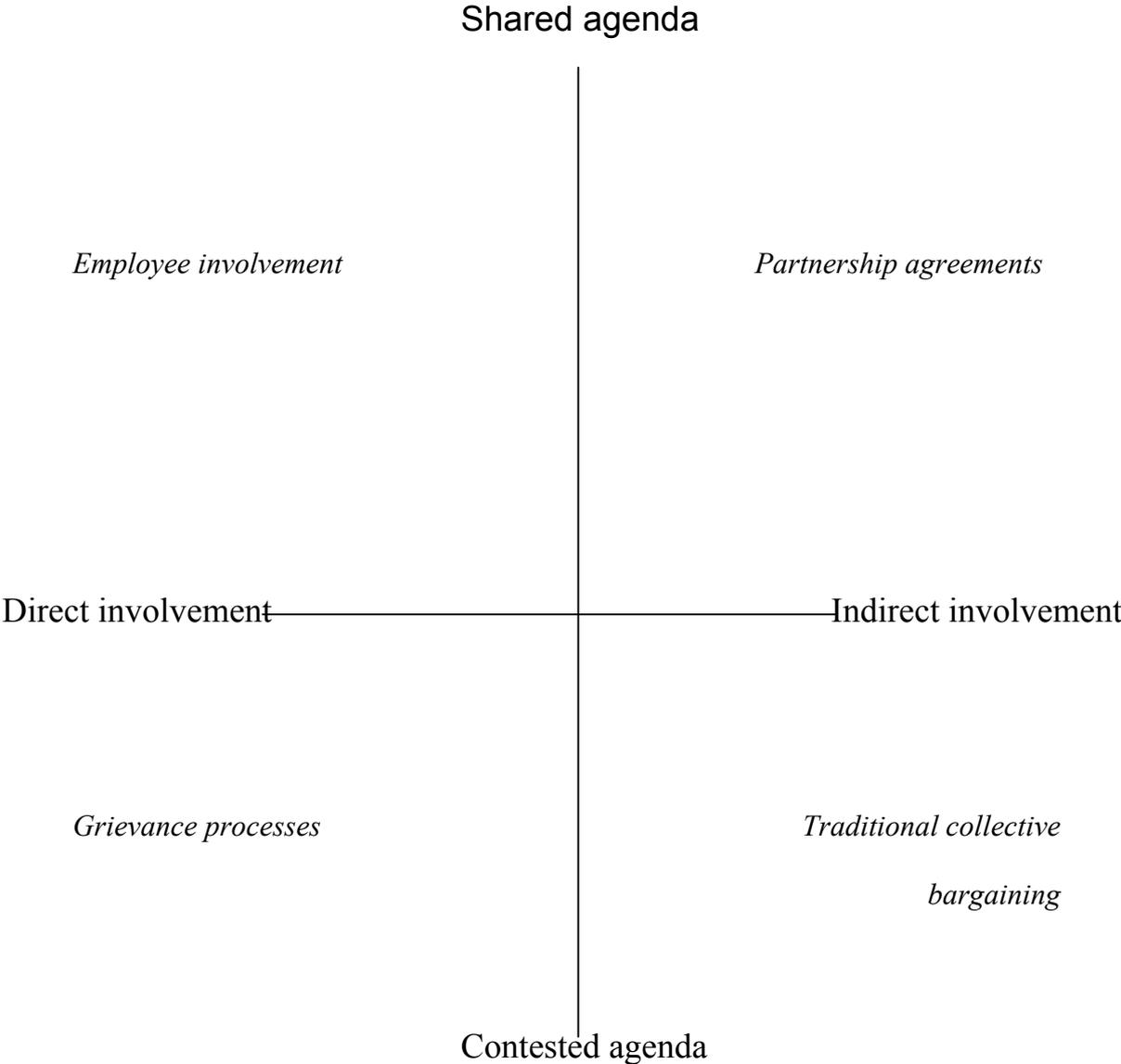
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**Table 1: The meaning and articulation of employee voice**

Voice as:	Purpose of voice	Mechanisms for voice	Range of outcomes
Articulation of individual dissatisfaction	To rectify a problem with management or prevent deterioration in relations	Complaint to line manager Grievance procedure Speak-up programme	Exit - loyalty
Expression of collective organisation	To provide a countervailing source of power to management	Union recognition Collective bargaining Industrial action	Partnership – Derecognition
Contribution to management decision-making	To seek improvements in work organisation, quality and productivity	Upward problem-solving groups Quality circles Suggestion schemes Attitude surveys Self-managed teams	Identity and commitment – Disillusionment and apathy
Demonstration of mutuality and co-operative relations	To achieve long-term viability for organisation and its employees	Partnership agreements Joint consultative committees Works councils	Significant influence over management decisions - Marginalisation and sweetheart deals

**Figure 1: A Framework for Employee Voice**



**Table 2: Mechanisms for Employee Voice**

Organisation	Upward problem-solving					Representative participation				Distinctive practices
	<i>Electronic media</i>	<i>2-way communications</i>	<i>Suggestion schemes</i>	<i>Attitude surveys</i>	<i>Project teams</i>	<i>Joint consultation</i>	<i>Partnership schemes</i>	<i>EWC</i>	<i>Collective representation</i>	
Airflight	✓	✓			✓				✓	Devolved voice
Aqua		✓		✓	✓	✓	✓		✓	Enterprise council
Bet.com		✓			✓				✓	Focus groups
City School		✓			✓				✓	Development planning day
Compucom	✓	✓	✓		✓	✓				Works council
ConsultancyCo	✓	✓	✓	✓	✓					Strategy days
Easymove Transport		✓	✓							Sunday meetings
Eiretel	✓	✓		✓	✓	✓		✓	✓	Web enablers
Hifi Sounds		✓	✓	✓	✓	✓				Suggestion schemes
Housing Assoc		✓	✓			✓				Non-union JCC
LeisureCo		✓				✓				Liaison committee
Midbank	✓	✓	✓	✓	✓	✓	✓		✓	Partnership learning fund
Retail Bank	✓	✓	✓	✓	✓	✓	✓		✓	Button-on systems
Scotchchem		✓			✓	✓	✓		✓	Employee relations group
Scotoil		✓		✓	✓	✓		✓		Consultative forum
Southern Shoe		✓				✓	✓	✓	✓	Company assembly
Weave Co		✓		✓	✓		✓		✓	Improvement teams
Whisky Co		✓		✓	✓	✓	✓	✓	✓	Working together groups