Employee participation in workplace management necessarily takes a form and degree according to the cultural, political, technological, and economic context. Some features of participative practice in the United States are distinctive to the U.S. context, while others are more universal in their significance. This background paper aims to comment upon the following themes:

1. There are many types and forms of employee participation.
2. The central issues in all concern social power and influence.
3. There are multiple sources of motivation toward increasing the amount of employee participation.
4. The dominant forms of employee participation in the United States are local, "shopfloor" forms, and representative participation through labor unions.
5. The central ideas in employee participation rest upon diverse theoretical foundations.
6. There are natural, economic factors which can limit the forms and degrees of employee participation.

**Forms of Participation**

The classic paper by Walker (undated) provides an overview of the forms of employee participation observed in the course of an extensive series of studies conducted by the International Labor Organization. His typology of forms of participation has not been improved upon yet, although one can readily think of ways to elaborate its detail. He proposes four principal factors for classification: (1) Structural (i.e. formal) vs. informal; (2) Integrative vs. disjunctive; (3) Individual vs. collective; and (4) Occurrence at low vs. high levels in the organization.
A few examples will suggest the nature of these factors. A firm undertaking of program of "job enrichment" for production workers would be increasing participation in a formal way (structural change as to task, responsibility and resource allocation), in an integrative way (i.e. in collaborative mode rather than coercion or bargaining) at the individual level (each job and its occupant as a separate entity), and at a low hierarchical level in the organization. A firm introducing a change toward the formation of autonomous working groups would be similarly classified except that the behavior unit of interest is not an individual worker but the work group as a collectivity. In contrast, a training program intended to encourage supervisors to adopt consultative practices in relation to individual subordinates would be operating in a mode that is informal, integrative, and individual; if the group-and-link-pin participative model were invoked on a voluntary basis, the classification would be similar but collective rather than individual. The disjunctive forms of participation are illustrated by collective bargaining at the higher levels of organization and by formal grievance procedures at the lower levels; these are "disjunctive" because of the roles of interacting counter-organizations, the employer, and the union. A high-level, formal, integrative, and collective form of participation occurs, for example, when there is created an advisory works council with worker representatives, or when there is an agreement to have elected employees on the board of directors.

Do such distinctions make a difference? I think they do. A blanket label of "participation" applied without discrimination to all forms of participation makes the term a name for a broad class of phenomena, not useful in analysis of a particular case. Much of the fruitless debate about participation arises from this fact. Furthermore, the several forms of participation distinguished by Walker carry sharply different implications with respect to the parties involved, as to the organizational processes of participation, and as to the psychological, organizational, and societal forces involved.

Power Influence, and Control

In all forms of employee participation, the essence of participation lies in the moderation of power imbalances among the parties. The participative event rests upon the presence of some degree of mutual influence and, conversely, upon the absence of absolute autonomy for any party. But, in what degrees? The power aspect of participation needs to be treated differently within the several forms
suggested by Walker. To illustrate with extreme examples, one can compare the power implications of informal participation within a work group, and formal participation within a disjunctive and collective system. The rich literature of theory and experiment with decision-making in small groups (e.g. Maier, 1967) suggests that the maximum beneficial effects of participation occur frequently in conjunction with equality of power as among members. This is not an irrelevant case, as such groups do commonly exist and function within work organizations. On the other hand, one might surmise that power equality in a disjunctive form of participation, say collective bargaining, can result in a prolonged strike, or the closure of a factory, or some other outcome that, in sum, is harmful to both parties rather than helpful. The structural equivalent of participation through bargaining occurs also within organizations informally, apart from unionization. The point is not that power equality is always "good" in small groups and "bad" in firm-wide bargaining, but only that the implications of power equality and inequality depend upon the degree of mutuality of interests among the parties. In describing and evaluating participative events, we need to take into account the contributions of such people as Leavitt (1957) who analyzed the role of interpersonal power equalization in organizational adaptivity, the ideas of Tannenbaum (1963) who treats the amount and the distribution of control in hierarchical organizations, and the treatment by Pettigrew (1973) of the politics of organizational decision-making. The role of power is not uniform in all participative systems.

Another consideration lies in the known fact that social power arises from several different sources (French & Raven, 1960) that are not simply additive in their effects, and that function quite differently in settings of unlike structure. Thus, the sources and effects of social power within a small informal group may be quite unlike those invoked in more formal, collective forms of participation. In the former, personal expertise and charisma may hold sway; in the latter, one expects a dominance of legitimate role prescription and of coercive power.

**Employee Participation: Means or End?**

A further compelling reason for insisting upon a discriminating classification of types of participation lies in the diverse values and motives that induce people to avoid, to consent, to seek, or even to advocate and promote participative practices. To put the variations in homely language, consider that individuals may seek to engage in, or
promote, participation for such diverse reasons as the following: (1) Because of the intrinsic, personal rewards and satisfactions derived from the participative activity itself quite apart from other outcomes; (2) Because of the expectation that the work will go better as a result of improved communication, coordination, goal consensus, and the like; (3) Because a political or economic ideology may be advanced, as participation in some forms protects and sustains the status quo, and in other forms undermines the status quo; (4) Because participation is simply the customary thing to do—an activity defined and prescribed by an organization's tradition and established normative system, and not to be questioned; (5) Because of a desire for improved stress management—i.e. preservation of individual health or constructive redirection of organizational energy; (6) Because a person in authority, or a public law, prescribes participation. This list is far from exhaustive.

A valuable analysis of some of these matters is provided by Greenberg (1975) who contrasts the consequences that are expected to flow from increased employee participation, depending upon the value perspective that is invoked. He delineates the way in which the management literature highlights the expediency of (limited degrees of) employee participation; the psychological and sociological literatures emphasize outcomes of individual well-being; social utopians proclaim the marvels of self-government by direct participation in all relevant spheres of life; the political far-left sees employee participation at work as a means of developing the longer-range capacities of workers for collective action in their own interest. Each view imposes a unique set of propositions about the nature, conditions, causes, and consequences of participation. Each specifies a different set of criteria for judging the success or failure of an event of participation. The "theory" of participation, thus, is actually many theories, some of which include incompatible elements, not merely unlike elements. These assorted theories relate differently to the several forms described by Walker.

Within the United States, the theme of "participation" is reflected in the slogans of our changing times and is deeply embedded in our social history. We have long advocated democratic participation in government, not only through electoral processes but also through insistence upon open channels of communication on public issues and open means of influencing the actions of elected officials. At home
some of us have felt the force of youthful autonomy and the non-negotiable demand to have a say in major family decisions. Among organization managers, there is a rich array of slogans: "decentralization," "bottom-up management," "multiple management," "the business team concept," "industrial democracy," "management by overlapping committees," "free form organization," "participative management," and the like. What these slogans have in common is the idea that higher-level managers express their willingness, indeed their need, to be more effectively influenced by lower-level people. These slogans were not dreamed up by academics or political leaders, but by managers seeking better ways to get their managerial jobs done. Many U.S. labor union leaders take pride in the electoral and participative practice within their unions.

The pressures toward increased participative management arise not from transient and superficial sources but from basic changes in our conditions of life. Unemployment is no longer the only alternative to passive acceptance of prescribed working conditions. Mass education has created enlarged resources of leadership potential. The pace of technological change and the demand for accommodation to a rapidly changing environment makes it quite impossible, in many lines of work, to manage an enterprise wholly from the top. Many argue that managers no longer have a choice about "going participative": it is only a question of when, how far, and in what style.

Formal, Disjunctive Participation

The forms and degrees of employee participation in management within the United States are highly variable. This is to be expected in a society that historically has emphasized individuality and autonomy of firm managers and that has few expressions of public policy on the matter. However, there are certain forms that receive relative emphasis or avoidance compared with other countries.

Two forms of formal participation prevalent elsewhere are virtually absent within the U.S.: (1) Mandated employee representation on central policy and executive committees of the employing firm, and (2) Employee control arising from public or private ownership of the employing firms. The U.S. has no laws, such as those common in the European countries, that require employee representation through elected board members or members appointed through labor unions. The public-owned enterprises are usually managed hierarchically, with employee participation following the same patterns as for
private firms. The employee-owned private firms are few in number; they typically do have employee representation on key management committees.*

The dominant form of formal employee participation in the United States is through labor unions. Federal and state legislation exists to encourage the formation of unions. Of the workforce, less than a quarter are union members, but they are concentrated in key industries and in large unions, and thus have an influence greater than their membership numbers suggest. Their role in employee participation in management is mainly through their acting as agents of employees in contractual bargaining and in the resolution of employee grievances. The contractual bargaining occurs periodically (usually at intervals of one to three years) and mainly concerns economic benefits, job security and job rights, and working conditions. Such bargaining occurs both at a national level, in the case of large unions dealing with large or federated employers, and also at the level of the local work establishment where contractual arrangements may be made about unique local issues. The bargaining power of the unions is supported by a legal right to stop work, and to discourage the employment of others during a strike action. The grievance procedures are designed to ensure adherence by management to the protective aspects of the contract. Any member can initiate a grievance, obtain an investigation of the facts, and, if necessary, can seek redress in law; the contracts are enforceable through external mediation, arbitration, and judicial decision.

While the unions vary considerably in their internal practices, many take strong measures to promote member participation in the work of the unions. There may be frequent meetings of the local members, periodic election of officers, rotated service by members on grievance actions, membership vote to affirm or deny a contract negotiated at higher levels. In some unions, such participative procedures are partial or ineffectively managed; national interview surveys indicate that while most union members are supportive of unions generally, and of their own union specifically, some feel that their union organization and practices do not encourage participation of members to the extent desired.

* There is currently considerable interest in the promotion of progressive degrees of employee share ownership through Federally-approved share purchase plans (ESOP and ESOT plans), which offer tax inducements to firms undertaking such plans. Some estimate the number of firms with significant employee stock ownership at the present time to be only about 300 or more (excluding very small firms). A few large and successful firms are owned in major part or entirely by the employees.
In some work establishments there exist formal advisory committees composed of both management and employee members. These may exist at several hierarchical levels. Their function is usually to provide a forum for discussion of issues of productivity, safety, employee services and benefits, and the like. While some such committees are effective, many are not, as they typically lack defined powers and defined jurisdictions.

Labor unions as participatory mechanisms were once restricted largely to blue collar workers in the private, core industries—steel, auto manufacture, construction, transportation, and the like. More recently, union membership has grown in public agencies, and in white collar and professional categories.

"Integrative" Participation

The distinctive feature of "integrative participation" (Walker's term) is that the participation occurs in a relationship that emphasizes mutuality of interests and collaborative problem solving, rather than in one of negotiation and bargaining. This, of course, is a matter of degree, as many situations of participation by employees are a compromise between these two approaches, or vary from time to time according to the issues under discussion.

There is currently a vogue among some U.S. managers for the promotion of integrative participatory practices within their organization—a vogue that has been growing over the last two decades, but is far from being universally accepted as a goal or as a management principle. In earlier years, the conception of purpose on the part of managers was usually to gain the goodwill and cooperation of employees by their limited inclusion in the discussion of "management's" problems; it was thought that employees would respond favorably to being informed and consulted on issues that relate to their work, and, indeed, the research evidence indicates that such results often do occur. More recently, stronger conceptions of participation have been introduced by many firms. At the present time a number of firms (occasionally with union collaboration) are engaged in trial ventures that greatly expand the potential degree and scope of employee participation in "shopfloor" issues as well as in some issues of policy and organizational planning. Currently, as in the past, these local and spontaneous initiatives for enlarged participation come primarily from the management side; the motives are primarily to improve the performance of the organization, to moderate misunderstanding and conflict, and to improve the attractiveness of work.
The rationales for undertaking programs for enlarged employee participation are extremely varied, and a few should be mentioned to suggest this variation. In some instances, the work technology has become sufficiently complex and unpredictable so that it is difficult to rely on direct managerial control of the work; it becomes necessary for technological reasons to rely on the non-managerial employee to make critical decisions, and necessary to provide to the employee the informational and authority context so that such decisions can be made. In other instances, the motives are more humanitarian, and participation is enlarged in ways to optimize the personal and economic rewards for employees. In still other instances, the motives are largely ideological—a commitment on the part of management to extend “democracy” to the work-place, or to forestall the spread of unionism, or to acknowledge the property rights of employees in their jobs.

The means and measures taken to enlarge employee participation range from relatively superficial (although often effective) modification of managerial practices, to radical restructuring of jobs and organizational structures. Again, no inventory of alternative strategies can be provided here, but some examples are needed:

- Training managers and supervisors in the skills of consultation and joint decision-making with subordinates.
- Decentralization of certain decisions, so that responsibility lies closer to the point of action where employee contributions are more likely to occur.
- Creating “autonomous work groups,” without direct supervision and with the authority to plan and conduct their work as they see best.
- Conducting employee surveys (by questionnaire, interview, group discussions) to get advice about problems and priorities from the employees’ perspectives.
- Creating joint management-labor committees with defined scope and authorities for committing the firm to certain purposes and actions.
- Providing continuing training and educational programs to employees to improve their capabilities for independent work or for leadership.
- Providing training for supervisors and employees in the skills of group problem-solving and decision-making.
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— Creating employee-level coordination mechanisms across functional work units to bypass the costly multiple-layered supervision.

— Introducing gain-sharing pay plans, with inducements for employees to propose and promote workplace efficiency or economy.

At this time, not much is known about the optimal means for enlarging employee participation, and the conditions that allow it to occur. Many managers are opposed to such changes on grounds that they weaken the capacities of managers to manage responsibly. Many employees and unions are opposed to such changes on grounds that they make ambiguous the respective roles and responsibilities of management and of employees in promoting employee interests. Many firms are quite unaware and unaffected by these developments, but among the leading firms, both large and small, there is a ferment of thought and experiment. Federal legislation has been proposed (but not yet enacted) to stimulate and assist the enlargement of participative practices in both private and public work organizations.

Research Evidence

A great amount of research has been done in the last two decades on participative strategies in management. That done by my own institute is representative. Our approach has relied primarily upon field studies, comparing organizations that differ in their effectiveness (or employee satisfaction, etc.), and in their degree or forms of participation. The aim has been to develop a set of concepts with an associated language and measurement technology for comparing organizations, to work toward some coherent and inclusive theories to account for the conditions that are found, and to interpret the results in terms of social values and in terms of action choices of managers and union leaders. This work has included studies in many kinds of organizations: transportation, public utilities, government, schools, mines, local political groups, factories, business firms, etc.

An example of such a study is one in which we made a detailed comparison of the policies, organizational structures and managerial strategies of a number of high performance sales agencies in comparison with a similar number of low performance agencies. Information was obtained by interviews, observations, and survey questionnaires completed by all members of these agencies. Sample results: High performance agencies held more staff meetings; these meetings were more concerned with policy and program planning; more of the day-to-day-work
was done by members working in groups rather than individually; certain managerial functions were explicitly delegated to subordinate groups; non-managerial members reported that they had a lot of influence upon the action decisions, business policies, and day-to-day work in their agency. The employees were more satisfied and they earned substantially more income. These results can be interpreted to reflect a more developed degree of participation in the high performance agencies than in the low.

Although the research evidence, in my opinion, strongly supports the proposition that participative practices aid both organizational performance and member satisfaction, the evidence is not entirely uniform in this respect. There are circumstances in which participative practices are irrelevant or harmful, and instances in which they are incompetently applied.

The Participative Syndrome

A number of people have attempted to reduce to theoretical propositions a conception of a pattern of characteristics of participative organizations. These formulations vary in detail but tend to be compatible in the main. Commonly accepted features include:

- A relatively higher rate of communication among employees at all ranks, and enlargement of the range of matters considered appropriate for open communication.

- A relatively greater total amount of mutual influence (power, control) among members and particularly more influence among members of lower rank.

- A relatively greater amount of activity conducted in the framework of stable groups linked to the work processes and to the decision-making apparatus.

- A higher rate of interaction among members, particularly across status and functional lines.

- Joint and continuous goal setting and goal review processes at all levels of the organization.

- A relatively higher level of mutual confidence and trust, supported by relatively open discussion of values and feelings.

- Formal procedures and policies that sustain the foregoing pattern of activity.
Some see such a participative style of organizational life to be a powerful social invention that permits effective human collaboration in the face of a progressive tendency toward failure of organizations based exclusively upon the traditions of authoritarianism, coercion, and bargaining.

Scientific/Theoretical Foundations

As indicated earlier, the ideas upon which participative practices rest range from those arising from social philosophy, political theory, economics, on the one hand, to those arising from experimental studies of psychology, social psychology, and sociology. The former are best treated by discussion, debate, and conceptual analysis, but the latter are accessible to study using rigorous methods. There exist some sound scientifically-based foundations for the participative model of organizational life. Three are mentioned here as examples:

1. The normal human responses to constraint, coupled with an inability to understand and to influence the environmental factors causing the constraint, include fear, attack, and attempts to escape. In the work situation, the common responses of employees in non-participative organizations are alienation, minimal work performance, resistance to change, and the like. Of course, people can be taught to accept constraints, and many constraints are unavoidable. Nevertheless, in general, people are more effective in their work roles if they have some responsibility for, and some influence upon, their work environments.

2. At the social-psychological level, a leading line of theory development concerns the dynamics of group functioning. It is posited that there is a basic need in people for stable and intimate affiliations of the kind provided by work groups. Individuals who have membership in cohesive work groups tend to be more effective, healthier, and more creative. The relevance of this to participative styles of organization life lies in the fact that it is largely through group processes that the participative syndrome can be achieved.

3. At the sociological level, a relevant theory is that concerned with the sources of power and its optimum distribution in formal organizations. Contemporary theory and research evidence argues against two common misconceptions: (a) That the amount of power in a formal organization is a fixed amount such that if
a manager "gives" some to people at lower echelons he then has less for himself; (b) That the dispersion of power throughout an organization renders that power ineffective and uncoordinated. Thus, it appears as a paradox to many managers and union leaders that, as the theory holds, his power is enhanced by the exposure of himself to influence from others, and that some dispersion of power is a necessary condition for achieving effective action and coordination in an organization under conditions of change.

Reservations, Warnings

A manager or union leader undertaking to change his organizational style towards increasing participation by employees must take into account a number of costs and risks. The main ones are: (1) Not all employees value participative practices and not all see potential practical benefits, so there will be resistance and disturbance of some degree; (2) Few people have had a chance to acquire the skills of participation to the needed degree, and an extended period of training and individual development may be required during a transition; (3) Most organizations have established features of structure and policy as well as institutional custom that are counter to participative practices and these may be difficult to change; (4) There are some organizations that rest upon fixed technological or legal commitments that make participative practices less advantageous and less feasible.

A further restraint lies in the personal values and anxieties of the top people themselves. It is for most managers a highly threatening, disturbing, and demanding exercise to undertake to change the technology of their own personal work. The appeal of conservatism, tradition, and past personal success within non-participative systems is very strong. The inclination is to wait for the emergence of serious trouble, organizational failure, or employee demands, before action is taken.

References


