

CONSIDERING WHAT WORKERS WANT

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About ten percent of United States workers in the private sector belong to trade unions.¹ Nearly all of the remaining ninety percent are employed in workplaces without formally recognized collective representation.² This stands in sharp contrast to collective representation in other industrialized countries: nearly thirty percent of German workers belong to unions, for example, and eighty percent of German workers are covered by collective agreements that extend from the union to the non-union sectors.³

Do American workers want more collective representation in the workplace than they currently have? Yes, they clearly do. Millions of Americans would like to have workplace institutions through which they could engage management in discussions or negotiations over the terms and conditions of work.⁴ Considering the representation gap is particularly important, because there is at present a reasonably clear consensus that freedom of association in the workplace, and the rights of workers to organize and bargain collectively, should be regarded as fundamental human rights.⁵ Support for the institutions through which these rights should be exercised is therefore an important issue for public policy, and an issue on which debate should be informed by a thorough understanding of the expressed interests of the workers who would participate.

The motivations underlying workers' desires for representation are varied, as are workers' ideas about how they might like such representation

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1. RICHARD B. FREEMAN & JOEL ROGERS, *WHAT WORKERS WANT* 1 (1999).

2. *Id.* at 72.

3. Otto Jacobi et al., *German: Facing New Challenges*, in *CHANGING INDUSTRIAL RELATIONS IN EUROPE* 190, 217 (Anthony Ferner & Richard Hyman eds., 1998); ORGANIZATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT, *EMPLOYMENT OUTLOOK* 71 (1997).

4. FREEMAN & ROGERS, *supra* note 1, at 141-43.

5. *See generally* *WORKPLACE JUSTICE: EMPLOYMENT OBLIGATIONS IN INTERNATIONAL PERSPECTIVE* (Hoyt N. Wheeler & Jacques Rojot eds., 1999); *see also* *TRADE UNIONS AND DEMOCRATIC PARTICIPATION IN EUROPE: A SCENARIO FOR THE 21ST CENTURY* (Gerhard Kester & Henri Pinaud eds., 1996).

to be organized.⁶ Generally, the gap between desired and actual representation suggests that labor law reform might bring workers' interests more closely in line with their experiences. The diversity of twenty-first century workers and workplaces, however, raises challenges for the content of such reform. Effective design of new representative institutions, as well as policy supporting these institutions, will have to take this diversity into account if it is to truly address, in the simple phrase that also serves as the title of the book by Richard Freeman and Joel Rogers, *What Workers Want*.⁷

I. WHAT WORKERS WANT

Freeman and Rogers's *What Workers Want* is a book-length treatment of an ambitious undertaking: the 1994-1995 Worker Representation and Participation Survey ("WRPS").⁸ The WRPS provides a fine starting point for discussions about the kinds of institutions that might represent American workers in the twenty-first century workplace. To the questions of whether there is a representation gap in the United States, what the gap looks like, and what those workers who have no representation might want, the WRPS provides as definitive a set of answers as we might hope to get from a national survey.

Freeman and Rogers draw on the WRPS to show that a substantial share of American workers say that they want more influence than they actually have in a variety of workplace decision-making areas.⁹ As Freeman and Rogers acknowledge, there are a number of ways workers could address their desires. Most obviously, workers can quit jobs that do not provide the influence they want, and instead seek out employers who offer them the kinds of workplaces they prefer.¹⁰ Workers can also ask their employers to change the ways in which they do things (and eighty-five percent of the WRPS respondents noted that their employers had "open-door policies" through which they could pursue individual concerns).¹¹ Workers also have legal protections through the regulatory system: fair labor standards, equal employment opportunity, occupational safety and health, and the like (though the WRPS demonstrates that workers overestimate the extent to which the law protects them in a number of areas).¹²

6. FREEMAN & ROGERS, *supra* note 1, at 145-50.

7. *Id.*

8. *Id.* at 2.

9. *Id.* at 4, 40.

10. *Id.* at 11.

11. *Id.* at 92. Leo Troy also makes this point, arguing that the pursuit of complaints accompanied by the ability to quit make up an "individual system of representation," which satisfies the concerns of most American workers. LEO TROY, *BEYOND UNIONS AND COLLECTIVE BARGAINING* 8 (1999).

12. FREEMAN & ROGERS, *supra* note 1, at 118-19.

Despite the availability of the courts, innovations in personnel policies, and a relatively unfettered labor market, the WRPS shows that most American workers also want another way to influence workplace decision-making: a collective organization that represents their interests.¹³ Under existing labor law, collective representation is available to workers who organize into unions for the purpose of bargaining. And indeed, for every American worker who belongs to a trade union, there are two more who want unions in their workplace but do not have them.¹⁴ But these are not the only unrepresented workers. Many workers who do not want to be represented by independent trade unions would like to have some other kind of collective, deliberative body that is run jointly by representatives of both management and the workforce.¹⁵ Existing labor law remains an obstacle to this alternative approach. Changes in policy have been considered, most prominently by President Clinton's Commission on the Future of Worker-Management Relations (the "Dunlop Commission"), but Congress did not act upon the Commission's report (which drew in part upon the WRPS data).¹⁶

We ought to take the WRPS findings quite seriously. The WRPS is comprehensive; as Freeman and Rogers hoped, it is indeed the "mother of all workplace surveys."¹⁷ Among its many merits is that it offers answers not only to simple questions (Do you belong to a union?; Would you vote for one in your workplace?), but also to questions which break down the issues in fine detail. For example, the survey contained questions about the differences between workers' actual influence and their desired influence in eight key areas of workplace decision making.¹⁸

The WRPS takes a thoughtful approach to problems associated with surveys, and the book-length treatment allows Freeman and Rogers to discuss these challenges. The order in which questions are asked, the "priming" of respondents, the effects of different sampling strategies, and other similar issues are addressed thoroughly. Further, Freeman and Rogers, commendably, have made the WRPS data available to all researchers so that anyone with specialized interests can examine issues small or large with an eye to multivariate analysis.¹⁹ The availability of the data, combined with the thorough discussion of the method, allow skeptical readers to examine Freeman and Rogers's arguments from perspectives other than

13. *Id.* at 141-43.

14. *Id.* at 144 (footnote omitted).

15. *Id.* at 150-51.

16. Commission on the Future of Worker-Management Relations, *Fact Finding Report*, May 1994.

17. FREEMAN & ROGERS, *supra* note 1, at 16.

18. *Id.* at 47-51.

19. The data are available and easily downloaded at <http://www.nber.org/~freeman/wrps.html>.

those presented by the authors.

The WRPS treatment of hypothetical scenarios is especially thorough and inventive, focusing on details of proposed institutions and (in Wave Two of the WRPS) giving respondents the opportunity to consider various approaches in writing. A minor quibble might be raised by those who favor examining precise behaviors rather than examining what individuals say they might do. Talk is cheap, after all, and one might argue that we ought to know what workers are willing to surrender in order to receive the institutions they want.²⁰

It is difficult, however, to do better than the WRPS did while using survey methods because it is not clear which counterfactuals would be appropriate. For example, asking workers whether they are willing to give up wages in return for collective representation is consistent with the dictates of economic theory, which sensibly maintain that you cannot get something for nothing. Such questions, however, make less sense from the worker's perspective. Having voiced her desire for more influence over pay, training, and benefits, and for institutions that will give a worker such influence, it is hard to imagine what she would make of a question that asked her how much pay she would be willing to sacrifice in return for such influence. She more likely expects such influence to improve her pay and benefits, rather than to cost her money.

Meaningful hypothetical scenarios would have been more complicated. For example, could the WRPS have asked workers whether they would be happy with institutions that reduced their employers' profits, or that transferred wealth from the company's shareholders to its employees?²¹ We might like to know whether workers are concerned about union dues or time spent performing union business. The WRPS does show that most workers would be willing to spend a few hours a month in meetings (though it did not say at whose expense).²² Wave Two of the WRPS also provides some evidence that workers would not want management to bear the entire cost of specific new approaches.²³

Beyond the technical aspects of the WRPS method, the central results simply sound about right regardless of how one might further interpret them. The WRPS reveals that some workers want no part of collective representation, and that many more are skeptical of the benefits of unions but

20. Leo Troy refers to this as the difference between the demand for unions and the "effective demand," or "desire made real by payment." TROY, *supra* note 11, at 150. For a similar analysis of *What Workers Want*, see Daniel J.B. Mitchell, 53 *INDUS. & LAB. REL. REV.* 712 (2000).

21. See Brian E. Becker & Craig A. Olson, *Unions and Firm Profits*, 31 *INDUS. REL.* 395, 396-415 (1992); see also Martin J. Conyon & Stephen Machin, *The Determination of Profit Margins in UK Manufacturing*, XXXIX *J. INDUS. ECON.* 369, 378 (1991).

22. FREEMAN & ROGERS, *supra* note 1, at 55.

23. *Id.*

might be interested in something they understand to be less adversarial.²⁴ The WRPS also suggests that a sizeable number of workers believe that institutions providing them with more influence, including unions, would be beneficial both for them and for their employers; however, they also believe that the opposition of managers to such vehicles is a strong impediment to representation.²⁵ Researchers who have spent time in the field listening to American workers and managers will find this mix of views familiar.

II. WORKERS, TRADITIONAL UNIONS, AND THE INFLUENCE GAP

One thing the WRPS clearly tells us is that many more American workers want traditionally-constituted trade unions than actually have them. About one-third of workers would vote for a union in a NLRB election.²⁶ Some of what workers say they want depends on the framing of the questions and issues. In addition to asking workers how they would vote in Phase One, the WRPS asked workers in Phase Two to choose one of three mechanisms for representation: laws, committees that discussed problems with management, or labor unions. When the WRPS described unions as “employee organizations that negotiate or bargain with management,” thirty-one percent of workers preferred them.²⁷ When unions were described as “unions that negotiate or bargain with management,” the percentage of worker preference dropped to twenty-three percent.²⁸ Freeman and Rogers note that this distinction did not surprise the union leaders they spoke with because the reputation of unions is so poor among some workers that the “u-word” provokes a negative reaction even when its functions are described neutrally or positively.²⁹

Only about a third of non-union workers would like to join a union, but nearly all of the workers who already belong to unions would vote to keep their union.³⁰ Freeman and Rogers suggest that this “endowment effect” provides evidence that, “[o]n average, union workplaces must be fulfilling the desires of their workers better than nonunion workplaces are ful-

24. *Id.* at 143-44, 150-52.

25. *Id.* at 60-63.

26. *Id.* at 69.

27. *Id.* at 150.

28. *Id.*

29. *Id.* at 150-51. This finding also is consistent with a more general sampling of public opinion of trade unions. Since the late 1970s, polls have shown that between one-quarter and one-third of the United States population generally disapproves of unions. See Paul Jarley & Sarosh Kuruvilla, *American Trade Unions and Public Approval: Can Unions Please All of the People All of the Time?* 15 J. LAB. RES. 97, 101 (1994).

30. FREEMAN & ROGERS, *supra* note 1, at 69.

filling the desires of theirs.”³¹ Even under this interpretation, the WRPS results do not provide much of a rationale for anyone looking to “what workers want” to justify policies that might strengthen union representation as it is traditionally understood in the United States.

While the WRPS evidence suggests that at least twice as many workers want unions as belong to them,³² so long as union advocates are in the minority, union members may find themselves in an even smaller minority. The framework established by the New Deal labor laws and their subsequent amendments requires the approval of a majority of workers in the appropriate bargaining unit in order to establish union recognition. Recognition is accompanied by the assignment to the union of the exclusive right to bargain for that unit. If the approximately one-third of American workers who want unions were distributed evenly across American bargaining units, none of those workers would have such representation.

One can offer an argument for labor law reform that would provide union representation without requiring the approval of the majority of workers in a bargaining unit. It seems likely that the respondents to the study, especially those who had no experience with unions, did not give much thought to this aspect of representation; most of them displayed a weak understanding of labor and employment law. The survey, however, even in its treatment of hypothetical institutions, did not ask workers to consider the benefits of exclusive representation rights for unions.³³ The WRPS does not provide evidence as to whether workers would want minority unions. It is possible that minority unions, which would almost certainly have less bargaining power than conventionally recognized unions, could be one route to the establishment of the less adversarial forms of representation in which many workers are interested.

Only a minority of workers want unions, but workers’ preferences for unions are not distributed evenly, so that workers who prefer unions can make up the majority in some workplaces.³⁴ Freeman and Rogers use the WRPS to uncover the sorts of workers and workplaces that are more likely to seek union representation. According to the WRPS, workers who are more likely to want unions are those reporting low satisfaction with their influence on workplace decisions, those who are poorly paid, and those whose employers have no programs for employee involvement.³⁵ For the most part, workers’ own characteristics are less important than those of their workplaces, with the exception of race. African-Americans are much more likely than other workers to be in favor of collective representation

31. *Id.* at 77.

32. *Id.* at 69.

33. *Id.* at 142.

34. *Id.* at 71.

35. *Id.* at 82.

through unions.³⁶

While the WRPS data suggests that workers with relatively low levels of influence are more likely to favor unionization, the WRPS provides little evidence to suggest that unions help workers close the "influence gap." This is the difference between workers' actual and desired influence and underpins the argument that stronger representation is desirable. On average, workers in both union and non-union workplaces desire about the same amount of influence.³⁷ Freeman and Rogers observe that union members report lower average levels of influence than other workers.³⁸ This observation may be misleading, since supervisory workers tend to have more influence and are much less likely to be in unions. Among non-supervisory workers, union members report more influence and a smaller gap.³⁹ At any rate, however, these differences are small. The differences in influence desired by nonsupervisory workers who belong to unions and those who do not are insignificant statistically.⁴⁰

TABLE ONE
INFLUENCE LEVELS AND INFLUENCE GAPS
1994-1995 WORKER REPRESENTATION AND PARTICIPATION SURVEY⁴¹

	All Workers		Supervisory Workers		Non-supervisory Workers	
	Mean Influence Level	Mean Influence Gap	Mean Influence Level	Mean Influence Gap	Mean Influence Level	Mean Influence Gap
Union Member	9.6	3.9	10.5	3.3	9.4	4.1
Not Union Member	9.9	3.7	11.1	2.8	8.9	4.4

36. *Id.* at 71.

37. The WRPS reveals two important characteristics that differentiate workers in their desire for workplace influence. *Id.* at 52 (noting that African-American workers want more influence than other workers and that female and male workers desire similar levels of influence). Controlling for occupational category, however, women desire significantly more influence than do men. The influence gap between men and women is masked by the overrepresentation of women in occupations in which workers on average desire less influence.

38. *Id.*

39. See *infra* Table One.

40. FREEMAN & ROGERS, *supra* note 1, at 52.

41. Influence scores range from 4 to 16. The scores are made up of the sums of the answers to four WRPS questions asking employees to assess the level of influence they have on different kinds of workplace decisions. Gaps represent the differences between actual and desired levels of influence. Means are weighted.

The existence of similar influence gaps between union and non-union workplaces could indicate either that unions do not increase employees' influence over workplace decisions or, in contrast, that workers typically form unions in order to change workplaces that otherwise provide them with little influence. Because the WRPS is restricted to a single time period, it does not permit direct examination of this question. The question can be addressed, however, by taking an indirect approach with the WRPS data and asking whether unions provide additional influence (or reduce the influence gap) for workers or for workplaces with similar characteristics. By focusing on fixed characteristics of workers and workplaces, which were unlikely to have been affected by unionization, the WRPS data can be used to estimate multivariate regression models predicting the level of influence for non-supervisory workers. Estimates from these models are reported in Table two.

TABLE TWO
DETERMINANTS OF SELF-ASSESSED WORKPLACE INFLUENCE
ORDINARY LEAST SQUARES REGRESSION COEFFICIENTS (STANDARD
ERRORS IN PARENTHESES)
1994-1995 WORKER REPRESENTATION AND PARTICIPATION SURVEY
NON-SUPERVISORY WORKERS⁴²

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Union Membership	0.45	0.38	0.32	0.67	0.48	0.08	0.08
	(0.33)	(0.39)	(0.37)	(0.33)	(0.38)	(0.35)	(0.39)
Individual characteristics (occupation, experience and experience squared, age and age squared, dummy variables for each of five educa-	---	In-cluded	---	---	In-cluded	---	In-cluded

42. Influence scores range from 4 to 16. The scores are made up of the sums of the answers to four WRPS questions asking employees to assess the level of influence they have on different kinds of workplace decisions. Regression models include a constant term and each observation is weighted. For details on specific questions and weighting, see FREEMAN & ROGERS, *supra* note 1, at 157.

tion levels, race, sex)							
Workplace characteristics (establishment size, organiza- tion size, in- dustry, for- profit status)	---	---	In- cluded	---	In- cluded	---	In- cluded
Earnings quartile	---	---	---	In- cluded	In- cluded	---	In- cluded
Trust in em- ployer (1=Not at all; 4=A lot)	---	---	---	0.39*	0.48*	---	0.31
				(0.16)	(0.17)		(0.18)
Feeling toward work (1=Does not want to go; 3=Look for- ward to it)	---	---	---	0.72*	0.63*	---	0.58*
				(0.15)	(0.15)		(0.16)
Employee- management committees	---	---	---	---	---	0.69*	0.60*
						(0.29)	(0.29)
Town Meet- ings	---	---	---	---	---	0.81*	0.44
						(0.28)	(0.27)
Group Open Door	---	---	---	---	---	0.78*	0.74*
						(0.30)	(0.30)
N	593	578	566	587	549	522	481
R-squared	0.00	0.07	0.05	0.10	0.21	0.08	0.24

* = statistically significant at $p < 0.05$

Column one of Table Two provides the baseline estimate for the effect of unions on employee influence; the statistically insignificant coefficient is consistent with the lack of difference in mean influence levels between the two kinds of workplaces reported in Table One. Column two of Table Two shows that, controlling for workers' characteristics such as race, sex, occupation, education, age, and experience with their current employer, union membership remains unrelated to workers' reports regarding their influence over workplace decisions.⁴³ Column three of Table Two reports estimates of effects of unions on workers' influence while controlling for structural characteristics of workplaces (rather than of workers): establishment size, firm size, the primary industry in which the firm operates, and for-profit status. Again, the union coefficient is insignificant.

Column four considers other aspects of workplace relations: pay, workers' attitudes, and workers' assessment of their company's approach to employees. These factors, unlike those considered in columns two and three, are as likely to be caused by differences in unionization as to indicate underlying differences in workplaces. Nevertheless, the comparison is interesting. The results reported in column four suggest that workers who report that they do not trust their employers and do not feel good about going to work also report less influence. It seems that unions, however, provide significantly more influence for workers once we control for these differences; this result occurs chiefly because union members are much less likely to trust their employers (the difference is nearly half a point on a scale ranging only from one to four). Column five controls for all of these differences; with all controls in place, the union effect is again statistically insignificant.

The WRPS data suggest that, all other things being equal, union members feel they have no more influence than other workers over key workplace decisions. It also shows that most workers who do have unions are satisfied with them and would vote for them again. The conclusion to be drawn is not that unionization brings to workers the same sorts of influence as workers in non-union workplaces, but that union workplaces are different from non-union workplaces in ways that are not easily measured. Most likely, these differences lie in the relationships between workers and managers, though we cannot tell to what extent the union is a cause or an effect of these differences. To take one example beyond differences in trust, managers in union workplaces, in comparison to managers in non-union workplaces, report that their workers give suggestions about how to improve productivity and quality less frequently.⁴⁴ Workers' responses to ex-

43. The results of the analyses reported here and of analyses of the gap between desired and actual levels of influence are quite similar. I report results only for actual influence here for the sake of simplicity.

44. FREEMAN & ROGERS, *supra* note 1, at 103, 104.

actly the same question, however, show no differences between union and non-union workplaces.⁴⁵ It may be that managers in unionized workplaces are not as inclined as other managers to share power voluntarily. These kinds of differences could pre-date the union; they could also be a result of union representation.

In any event, the extension of union representation, in the face of prevailing management norms and behaviors, is not likely to reduce the influence gap much. Advocates for unions may find this discouraging or implausible, but here it is useful to remember some things about the WRPS. We cannot say to what extent the WRPS results depend on the economic, legal, and political environment in which the survey was conducted. The WRPS suggests that in the United States in 1995, workers expect to gain more of the kinds of influence they really desire when management was willing to extend such influence, rather than when independent workers' organizations forced managers to share power through negotiation.⁴⁶ It does not say whether unions might be able to achieve more influence for their members under alternative regimes. History and international comparisons suggest that such a result is possible.⁴⁷ Similar considerations also suggest, however, that American managers' opposition to unions is especially strong and has deep roots.⁴⁸

Managerial opposition impedes the ability of workers to reduce the influence gap even when they do organize collectively. American workers see this gap in both halves of the "mixed motive" relationship that characterizes employment.⁴⁹ As Freeman and Rogers note, the WRPS findings "fit well with a view of the labor market in which management and employees are intrinsically linked in a relationship that is both cooperative and conflictual."⁵⁰ Workers understand that both labor and management suffer from "the negotiator's dilemma," in which the behaviors that are effective in solving problems cooperatively are not the same as those that help parties claim more for themselves.⁵¹ Workers identify the largest influence

45. *Id.*

46. *Id.* at 40-43.

47. Greg J. Bamber & Russell D. Lansbury, *An Introduction to International and Comparative Employment Relations*, in *INTERNATIONAL & COMPARATIVE EMPLOYMENT RELATIONS 1* (Greg J. Bamber & Russell D. Lansbury eds., 1998) (comparing unionization rates, human resource practices, and other key indicators across countries); HARRY C. KATZ & OWEN DARBISHIRE, *CONVERGING DIVERGENCES: WORLDWIDE CHANGES IN EMPLOYMENT SYSTEMS* ch. 1 (2000) (same).

48. FREEMAN & ROGERS, *supra* note 1, at 60-63.

49. RICHARD E. WALTON & ROBERT B. MCKERSIE, *A BEHAVIORAL THEORY OF LABOR NEGOTIATIONS: AN ANALYSIS OF A SOCIAL INTERACTION SYSTEM* 155-59 (ILR Press 1991) (1965).

50. FREEMAN & ROGERS, *supra* note 1, at 63.

51. DAVID A. LAX & JAMES K. SEBENIUS, *THE MANAGER AS NEGOTIATOR: BARGAINING FOR COOPERATION AND COMPETITIVE GAIN* 29-45 (1986).

gaps in areas where the conflicts tend toward zero-sum economic issues: pay and benefits.⁵² The smallest areas of difference between desired and actual influence are in areas where the benefits of cooperation are clear, such as scheduling and deciding how work gets done.⁵³ But there are gaps in all areas, and American workers want more influence on both the conflictual and the cooperative sides of their relationships with their employers. Where management is not willing or able to find ways to work together with representatives of the workforce it may be that workers sense that pushing for independent representation is likely to improve their own lot at the expense of their employer's.

Unionization can force American managers to sit down and deal with workers even when they really would prefer not to. Many workers would find this exercise an improvement on the status quo. However, it is unlikely that workers can achieve what they really want in the workplace simply by increasing their collective bargaining power. Here, it is useful to remember that the WRPS finds that workers want "a lot" of influence.⁵⁴ Influence gap questions are posed to workers on a four point scale; responses can range from it being "very important" (scoring four) to "not important" (scoring one) for the respondent to have "a lot" of influence. In every one of the eight decision areas the WRPS covers, the modal response is that a lot of influence is "very important."⁵⁵ Perhaps it is not surprising that American workers believe that achieving this level of influence requires not merely managerial acquiescence, but the active cooperation of management. Unionization can compel bargaining and compromise, but collective power does not in itself force management into the kinds of cooperation for which workers hope.

One further aspect of what workers want merits more attention than the WRPS gives it. Collective representation helps workers to preserve dignity in their jobs, particularly by assuring them due process and providing a counterweight to treatment they perceive to be demeaning or capricious. The Service Employees International Union, for example, has run many successful organizing campaigns based on appeals to workers to organize as a means of protecting their respect and dignity in the workplace.⁵⁶ It is hard to know how much of the influence gap derives from workers feeling that their employers do not respect them. Factors such as racial and gender differences in desired influence suggest such considerations may be important.⁵⁷ Even where unions fail to help workers achieve more influ-

52. FREEMAN & ROGERS, *supra* note 1, at 51-53.

53. *Id.*

54. *Id.* at 63.

55. *Id.* at 49-50.

56. *Id.* at 53.

57. *Id.* at 54-55.

ence over substantive decisions, collective representation gives workers something that they want in workplaces where they might not otherwise find it. It would be interesting to know whether workers believe they can achieve the respect they seek in the workplace without management cooperation or whether collective representation is indeed sufficient to improve matters.

III. EMPLOYEE INVOLVEMENT PROGRAMS

The relationship between the level of employee influence on the one hand, and the strategies and values of management on the other, is made clearer by considering the effects of employee involvement (“EI”) programs. Unlike union representation, management-initiated EI programs are positively associated with employee influence.⁵⁸ Tabulations by Freeman and Rogers show that EI programs are associated with lower influence gaps.⁵⁹ In column six of Table Two, I report regression estimates that confirm these tabulations.⁶⁰ The results enable direct comparison of the effects of EI and unionization. Column six shows that, unlike unions, each of the three group EI programs that the WRPS asked workers to consider—committees of employees that discuss problems with management on a regular basis, regular town meetings with groups of employees, and an open door policy for employee groups—is associated with higher levels of influence for non-supervisory workers.⁶¹ Effects of committees and open door policies are statistically significant even when controlling for all sorts of differences across workers and workplaces (column seven).

Furthermore, nearly all workers believe that if they gained more influence they could help improve their employers’ lots as well as their own. For example, the WRPS shows that over eighty percent of workers believe that if more decisions about production and operations were made by employees instead of by managers, the company would be a stronger competitor, and the quality of its products or services would improve.⁶² Interestingly, managers also agree with this notion by only slightly smaller majorities.⁶³

Given its effects on influence, EI ought to be popular with workers. Other research supports this notion. A detailed study of workers’ attitudes at Chrysler showed that workers clearly preferred new practices featuring

58. *Id.* at 6.

59. *Id.* at 52.

60. *See supra* Table Two.

61. Again, estimates of effects on the influence gap, rather than on the level of influence, are unreported, but yielded results similar to those reported here. *See* FREEMAN & ROGERS, *supra* note 1, at 47-60.

62. *Id.* at 103-13.

63. *Id.*

EI to a traditional system with less involvement.⁶⁴ Paul Osterman found that workers in sites featuring teams and EI seem to have enjoyed no greater wage gains than those in more traditional settings.⁶⁵ Osterman suggests that workers may simply prefer these new forms of work organization to their counterparts, reasoning that influence over workplace decisions may be a reward in itself.⁶⁶

Research suggests that EI also has generally positive effects on firm performance.⁶⁷ Yet we also know that EI is continuing to spread only slowly and unevenly. This slow diffusion of EI, according to Freeman and Rogers, is largely due to the difficulty in implementing programs that are properly suited to specific workplaces with all of their idiosyncrasies. Here it is worth considering some of the other evidence on adoption that Freeman and Rogers do not review in detail. We know that competitive strategies oriented toward international competition, and competition through product differentiation, are associated with the adoption of these programs. But it also appears that managerial discretion over work practices plays quite an important role in the decision to adopt EI.⁶⁸ For example, Paul Osterman finds that what he terms "managerial values" are among the most powerful predictors of adoption of EI.⁶⁹

What is more, managers may have selfish reasons to use their discretion to avoid EI, since EI changes managers' roles. To take one example, Jeffrey Pfeffer and colleagues report the results of experiments they performed on MBA students, which demonstrated both a "faith in supervision effect," in which observers tend to see work performed under the control of a supervisor as better than identical work done without as much supervision, and a "self-enhancement effect," which describes managers' tenden-

64. See generally Larry W. Hunter et al., *What Makes Teams Take? Employee Reactions to Work Reorganization* (July 2000) (unpublished manuscript, on file with the Management Department of the Wharton School, University of Pennsylvania).

65. Paul Osterman, *Work Reorganization in an Era of Restructuring: Trends in Diffusion and Effects on Employee Welfare*, 53 *INDUS. & LAB. REL. REV.* 179, 186 (2000).

66. *Id.* at 183-84.

67. For good summaries of this evidence, see generally Brian Becker & Barry Gerhart, *The Impact of Human Resource Management and Organizational Performance*, 39 *ACAD. MGMT. J.* 779 (1996); Casey Ichniowski et al., *What Works at Work: Overview and Assessment*, 35 *INDUS. REL.* 299 (1996).

68. FREEMAN & ROGERS, *supra* note 1, at 103-13.

69. For evidence on diffusion, see Osterman, *supra* note 65, at 186-87 or the series of studies by Edward Lawler and colleagues, especially EDWARD E. LAWLER III ET AL., *EMPLOYEE INVOLVEMENT AND TOTAL QUALITY MANAGEMENT: PRACTICES AND RESULTS IN FORTUNE 1000 COMPANIES 9-30* (1992) and EDWARD E. LAWLER, III ET AL., *CREATING HIGH PERFORMANCE ORGANIZATIONS: PRACTICES AND RESULTS OF EMPLOYEE INVOLVEMENT AND TOTAL QUALITY MANAGEMENT IN FORTUNE 1000 COMPANIES 9-31* (1995). For evidence on the determinants of adoption, see Paul Osterman, *How Common is Workplace Transformation, and Who Adopts It?*, 47 *INDUS. & LAB. REL. REV.* 173, 182 (1994), or the above-cited studies of Lawler and colleagues.

cies to evaluate work products more highly the more involved they are in production.⁷⁰ Both effects, argue Pfeffer et al., may discourage managers from adopting EI.⁷¹

EI appears to be good for workers and good for firms. Freeman and Rogers also suggest it is not likely to be bad for unions.⁷² Fearing that stronger governmental support for EI would result in the substitution of weak in place of strong representation, organized labor opposed the parts of the Dunlop Commission report that suggested modification of section 8(a)(2) of the National Labor Relations Act to allow more kinds of EI to thrive. In this vein, two observations based on the WRPS data are worthy of mention. First, there is no evidence that EI makes workers less interested in independent representation by unions. The problem for unions lies in the opposition of management to any kind of independent representation, not in the substitution of EI for such representation. Second, a considerable number of workers are currently involved in EI programs that are, strictly speaking, in violation of section 8(a)(2)—discussing wages, benefits, and working conditions.

What most workers really want, Freeman and Rogers conclude, is to have employers that both accept workers' desire for independent collective representation and cooperate with the representatives of the workforce.⁷³ If, in practice, cooperation and independence turn out to be exclusive, then some workers prefer more independence (as with traditional unions), while others prefer more cooperation, even if their organization requires management support.⁷⁴ Freeman and Rogers conclude that giving workers what they want will require some creativity, but that we ought to find ways to help workers and firms to establish arenas for discussion, as with some sort of labor-management committees.⁷⁵ In short, we need "a system that admits new institutions as well as extension of current ones."⁷⁶

IV. WHO'S THE BOSS?

WRPS locates the roots of the representation dilemma in the influence gap: workers want more influence than they have over important aspects of their working lives.⁷⁷ What Workers Want and the WRPS inform the

70. Jeffrey Pfeffer et al., *Faith in Supervision and the Self-Enhancement Bias: Two Psychological Reasons Why Managers Don't Empower Workers*, BASIC AND APPLIED SOC. PSYCHOL., Dec. 1998, at 313-21.

71. *Id.*

72. FREEMAN & ROGERS, *supra* note 1, at 141.

73. *Id.* at 4-6.

74. *Id.* at 7.

75. *Id.*

76. *Id.* at 155.

77. *Id.* at 161.

search for institutions that might address the gap, asking whether policy does all it might to encourage the development of structures in which employees can collectively discuss issues or negotiate solutions to problems with their managers.⁷⁸

Considerable creativity will be required in the design of new forms of representation if we are to meet the twin imperatives of cooperation and independence. *What Workers Want*, and the WRPS, are grounded in a view of the workplace that understates the diversity of workers' situations.⁷⁹ As with existing labor and employment policy, the survey itself seems to have been designed primarily for workers and managers in standard employment arrangements—a necessity if the survey was to be kept to a manageable length. However, by understating the diversity of contemporary work settings, the WRPS provides only a blurry lens into what workers really want. In so doing, it understates the ensuing challenges associated with constructing policy to support new forms of collective representation.

One set of complications arises from what has been termed “non-standard work.”⁸⁰ For example, the Bureau of Labor Statistics is able to identify, in addition to “standard full and part-time workers” and the self-employed, a number of other categories of work, including agency temporaries, on-call workers, contract company workers, direct-hire temporary workers, and independent contractors.⁸¹

Non-standard workers differ from other workers in crucial ways. Existing laws often treat them differently (for example, with respect to the right to organize or to be protected under employment discrimination laws). Non-standard workers typically have less attachment to their employers and may even be unsure as to the identity of their formal employer. They have some issues to raise with their formal employers (for example, the owners and managers of temporary agencies) and others to raise with those who actually direct their work day-to-day. Further, non-standard workers may also work side-by-side with regular employees while being governed by different formal employment arrangements.⁸²

78. *See id.*

79. *See id.*

80. NONSTANDARD WORK: THE NATURE AND CHALLENGES OF CHANGING EMPLOYMENT ARRANGEMENTS 3 (Francoise Carre et al. eds., 2000) [hereinafter NONSTANDARD WORK].

81. Anne E. Polivka, *Contingent and Alternative Work Arrangements, Defined*, 119 MONTHLY LAB. REV. 3, 3-9 (1996).

82. Charles Heckscher, *HR Strategy and Nonstandard Work: Dualism Versus True Mobility*, in NONSTANDARD WORK, *supra* note 80, at 267, 274.

TABLE THREE
 APPROACHES TO THE JOB AND PREFERENCES FOR REPRESENTATIVE
 INSTITUTIONS
 1994-1995 WORKER REPRESENTATION AND PARTICIPATION SURVEY
 NON-SUPERVISORY WORKERS

		If an election were held today, would you vote for or against being represented by a union?	Which one of the following three ways would be the most effective way to increase employees' say in workplace matters and to make sure they are treated fairly?		
Which of the following best describes how you think of your current job?	% of respondents in category	% who would vote in favor of union	LAWS that protect the rights of individual employees	Joint employee and management COMMITTEES that DISCUSS problems	Employee organizations that NEGOTIATE of bargain with management over issues
A LONG-TERM job you will stay in	40.3%	29.4%	12.5%	60.6%	26.9%
An opportunity of ADVANCEMENT in this same organization	16.7%	29.5%	14.6%	61.3%	24.1%
Part of CAREER or profession that will probably take you to DIFFERENT companies	15.3%	36.7%	15.9%	58.5%	25.6%

		If an election were held today, would you vote for or against being represented by a union?	Which one of the following three ways would be the most effective way to increase employees' say in workplace matters and to make sure they are treated fairly?		
Which of the following best describes how you think of your current job?	% of respondents in category	% who would vote in favor of union	LAWS that protect the rights of individual employees	Joint employee and management COMMITTEES that DISCUSS problems	Employee organizations that NEGOTIATE of bargain with management over issues
A job you will probably LEAVE that is NOT part of a career	27.7%	50.9%	18.7%	50.1%	31.2%
Sample mean		35.4%	15.1%	57.5%	27.4%

While the WRPS did not ask specifically about non-standard work arrangements, it did ask whether workers thought of their job as part of a long-term attachment to their current employer.⁸³ Table Three shows differences in the sorts of institutions non-supervisory workers prefer, depending on how they see their jobs. The WRPS data suggest that workers who see themselves with short-term attachments to their employers are relatively more interested in unions, and relatively less interested in more cooperative forms of EI.⁸⁴ Non-standard workers likely make up a disproportionate share of this group. The 1998 organization of WashTech, Microsoft's contract and temporary workers affiliated with the Communication Workers of America, provides an interesting recent example of collective organizing of non-standard workers.⁸⁵ We need more knowledge of the issues that are important to non-standard workers in different situa-

83. FREEMAN & ROGERS, *supra* note 1, at 161.

84. *Id.*

85. See Virginia L. duRivage, *CWA's Organizing Strategies: Transforming Contract Work into Union Jobs*, in NONSTANDARD WORK, *supra* note 80, at 377, 385-91.

tions, the particular problems they face in the workplace, and the kinds of collective representation they want.

V. IS THERE A BOSS?

In addition to the challenges arising from the variety of non-standard employment arrangements, representation may also be confounded by other features of contemporary employment that get relatively little attention in the WRPS. The questions featured in the WRPS tend to characterize workplace influence as something that is distributed between employees and their managers. Both sides understand that the process of allocating this influence need not be an exercise in zero-sum bargaining. Both sides may also believe, however, that their influence is limited by factors external to the employment relationship. Thus, not even the most extensive EI programs may close the gap between workers' desired and actual influence. These limits also help to explain why managers do not have all of the influence they want.

Understanding constraints on influence is particularly important in an age featuring an increasing share of what has been termed "market-mediated" employment,⁸⁶ in which pay and conditions of work are determined more by market forces external to firms and less by administrative rules and procedures that are specific to individual employers.⁸⁷ Restructuring and re-engineering have created new forms of organization that "bring the market into the firm." These new structures and processes make decentralized business units, branch offices, or even individual employees responsible for local profits and losses. The result is that workers bear relatively more of the risk associated with business enterprises. Through restructuring, firms have assigned to the product and labor markets the workplace control that managers once exercised or shared with workers.

More and more workers, in turn, see the market, rather than management, as their boss.⁸⁸ The influence of the market on the workplace is further personalized where workers meet customers. The failure to sell or to serve customers effectively is likely associated with undesired outcomes from the workers' point of view: lower pay, a higher likelihood of being

86. Peter Cappelli, *Market-Mediated Employment: The Historical Context*, in *THE NEW RELATIONSHIP: HUMAN CAPITAL IN THE AMERICAN CORPORATION* 66-90 (Margaret Blair & Thomas A. Kochan eds., 1999).

87. The quantitative evidence on the decline in the importance of internal labor markets is mixed, but it appears that less-skilled workers have become relatively more exposed to the external labor market in recent years. See Annette Bernhardt & Dave E. Marcotte, *Is 'Standard Employment' Still What It Used to Be?*, in *NONSTANDARD WORK*, *supra* note 80, at 21-40. There may also be increases in other groups' exposure to the market, particularly as the use of subcontracting and temporary employment arrangements grows.

88. FREEMAN & ROGERS, *supra* note 1, at 21.

fired, a required change in the way the worker performs her daily job. In the contemporary workplace, employees may find themselves responding more to the demands of their customers than to those of their nominal bosses.

Consider workers in individual branches of large banks. Over the last ten years, restructuring of financial services has changed dramatically what many of these workers do. Banks now hold branches directly responsible for bringing in revenue through the sale of financial services, and new work practices in some banks give non-managerial workers more discretion over important decisions in the workplace.⁸⁹ Yet branch workers' pay, job security and work hours are now much more heavily influenced by the market: their salaries and jobs depend on success in selling the bank's products to customers.

Customers obviously matter to service workers but, even in traditional manufacturing industries, managers now describe the process of exposing workers to the desires and demands of customers as good business practice.⁹⁰ Exposure to customers takes a variety of forms. Some workers participate in enduring customer relationships in which they get to know those they serve quite well. For others, work is a series of one-time encounters with customers with whom they will not interact again. Differences in these kinds of service arrangements in turn have strong influences on workers' daily lives.⁹¹

Managers may find it expensive and difficult to represent the interests of customers effectively in discussions with workers; they may not even want to do so. We might consider whether what workers want could include vehicles for discussing the terms and conditions of work with customers. Such institutions could also benefit customers, since it is costly for individual customers to express their interests in firms doing things differently. Customers and workers may have different kinds of information from which each group could benefit. Managers, customers, and employees may also have differing time horizons. Individual managers may, for example, make short-term decisions that have negative consequences for customers and employees in the long run. Discussions between customers, employees, and managers might bring new insights into the issues involved

89. See Larry W. Hunter, *Transforming Retail Banking: Inclusion and Segmentation in Service Work*, in *EMPLOYMENT PRACTICES AND BUSINESS STRATEGY* 153-92 (Peter Cappelli ed., 1999).

90. For example, Ralph Stayer, CEO of Johnsonville Foods, Inc., explains that a key piece of devolving decision-making to his employees was making them responsible for responding to customer complaints about the quality of the sausage that the company made. Ralph Stayer, *How I Learned to Let My Workers Lead*, *HARV. BUS. REV.*, Nov.-Dec. 1990, at 66, 72.

91. BARBARA A. GUTEK, *THE DYNAMICS OF SERVICE: REFLECTIONS ON THE CHANGING NATURE OF CUSTOMER/PROVIDER INTERACTIONS* 64-82 (1995).

in the design of work, along with better information regarding the kinds of activities that lead to efficient and high quality service.

Future research on "what workers want" might consider the ways in which the dynamics of the employer-employee-customer triad affect the distribution of influence over workplace decisions. For example, it would be helpful to have more research into how employees interpret their own interests, and their desire for representation, when they feel caught between the demands of customers and the demands of employers. The interests of customers and workers may be very similar. For example, workers in telephone call centers may resent managerial control over the pace at which they are required to take incoming customer requests; customers, similarly, may desire that workers treat their calls carefully and thoroughly, and not rush through them.

On the other hand, from the employees' perspective, the customer is not always right. Sometimes this perspective conflicts with that of managers. Customers may make requests that employees find demeaning or absurd, yet managers may insist that the demands of the business require accommodating such requests. Circumstances may also exist under which both managerial and employee interests directly oppose those of the customer. Call center customers, for example, may object to the use of automated response technology, but both managers and employees find such technology an efficient substitute for tedious and repetitive work.

Relationships between workers, customers, and managers become even more complicated when the user is not the payer. Health care, for example, may feature alliances between caregivers and patients, both of whom prefer expensive, high-quality care. Pressure on costs comes from the relationship between the insurance companies who pay for care and from the medical centers that organize its provision. Discussions over how work gets done, and who ought to be paid by whom for doing what, might be improved through the explicit inclusion of the perspectives of the users and buyers of goods and services.

One possible outcome of this line of thinking is that tripartite discussions over some aspects of workplace decisions could increase the opportunities for workers to build coalitions that could help them achieve the kinds of influence they want. For example, nursing home workers and their representatives have allied themselves with advocates for the elderly to demand better patient care and better working conditions for nursing assistants.⁹² Such alliances, no doubt, could raise costs to management; but they also may uncover cooperative solutions that improve the welfare of all parties. The WRPS suggests many workers are interested in discussing

92. Susan Eaton, *Beyond 'Unloving Care': Linking Human Resource Management and Patient Care Quality in Nursing Homes*, 11 INT'L J. OF HUM. RESOURCE MGMT. 591, 596-602 (2000).

with management ways to improve the performance of the enterprise, as well as to enhance their own welfare directly.⁹³ Discussions that include customer representatives could foster further cooperation between labor and management, particularly in circumstances in which day-to-day work is directed as much by customers as by supervisors.

VI. WHERE'S THE BOSS?

Yet another challenge in uncovering the kinds of representation workers want lies in identifying the location of decision-making authority inside the organization. Strategic decisions determine the general shape of the workplace through the choice of performance measures, the design of business units, and through the firms' approaches to competition and restructuring.⁹⁴ New organizational structures, and specific unit performance criteria, in turn, have substantial effects on workers' abilities to establish and maintain effective representation. The rules of restructuring for American firms have been written almost entirely by investors and executives, with minimal representation of worker interests.⁹⁵ Aside from a few experiments with labor-management partnership or board representation for trade unions,⁹⁶ there are few institutions in the United States that represent workforce concerns at the level of strategic decision-making. Without input into these decisions, other forms of representation are precariously situated; the support of local managers for local involvement is not likely to be sufficient to sustain EI in the face of higher-level indifference or opposition.

The restructuring process often leads to decentralization of decision-making, moving authority down to units that are responsible for their own profits and losses. In principle, decentralization could facilitate more effective representation for workers, as smaller, decentralized units could be more congenial arenas for effective joint decision-making. But decentralization does not guarantee that workplace decisions will be made locally. Some firms (consider Wal-Mart or McDonald's) operate through structures that establish decentralized responsibility for profits and losses while placing great emphasis on homogeneity of operating procedures across locations.⁹⁷ The result is that work practices, job definitions and responsibilities, and pay levels may be decided at levels far removed from local

93. FREEMAN AND ROGERS, *supra* note 1, at 40-42.

94. See PETER CAPPELLI ET AL., *CHANGE AT WORK* 46 (1997).

95. Thomas A. Kochan et al., *The Transformation of American Industrial Relations* 17 (1986).

96. Larry W. Hunter, *Can Strategic Participation Be Institutionalized? Union Representation on American Corporate Boards*, 51 *INDUS. & LAB. REL. REV.* 557, 558 (1998).

97. Gabriel Szulanski & Sidney Winter, *Replication as Strategy*, *ORG. SCI.* (forthcoming 2001).

workplaces, and what workers may want is effective representation at the higher levels of management where executives make such decisions.

The presence or absence of representation at higher levels also affects the context in which workers express their local concerns. The absence of higher-level access, for example, diminishes the importance of the independence of local workers' organizations. Local cooperation between managers and workers is imperative where firms can relocate operations cheaply and quickly. Independent representation that challenges management prerogatives can be undermined simply by threats to move work; workers attuned to the reality of such situations should highly value cooperative relationships with local managers.

Establishing workers' representation at the appropriate levels inside large, decentralized organizations is even more complicated in the context of an active market for corporate control, in which investors place tremendous pressure on top managers to achieve high short-term returns. The emergence of active institutional investors has been accompanied by the threat of acquisition of firms perceived to be under performing, by contracts for executives that are linked ever more tightly with the stock price of the firm, and by a higher likelihood of executive turnover should the firm perform worse than investors' expect.⁹⁸ This market orientation may make even high-level representation tenuous, with any agreements between labor and management subject to the approval of institutional investors and, indirectly, of the stock market itself.

VII. AM I THE BOSS?

The line between employees and managers is often drawn so finely these days as to render them indistinguishable. As organizations flatten and EI programs proliferate, this distinction is not going to get any clearer. Over forty percent of the WRPS respondents, for example, identify themselves as having some supervisory responsibilities.⁹⁹ The self-identifying supervisors in the WRPS report high levels of participation in EI programs in comparison to non-supervisory employees, and EI does more to lessen the influence gap for supervisors than it does for other workers.¹⁰⁰ These workers are, not surprisingly, relatively less interested in independent representation and more interested in cooperation, than are their non-supervisory counterparts.¹⁰¹

Many employees expect (or at least hope) to be managers one day,

98. MICHAEL USEEM, *INVESTOR CAPITALISM: HOW MONEY MANAGERS ARE CHANGING THE FACE OF CORPORATE AMERICA* 133-67 (1996).

99. FREEMAN & ROGERS, *supra* note 1, at 10.

100. *Id.* at 110.

101. *Id.* at 56-60.

perhaps even top managers. It is hard to say how many, but Table Two shows that sixteen percent of the workers who said they had no supervisory responsibilities also said that their current job was best described as an opportunity for advancement inside their company (this was also true of twenty-five percent of the supervisors). There are reasons to expect the relative share of employees with managerial aspirations to increase.¹⁰² As more Americans gain higher education, we might expect these workers to strive to advance to management positions. Over half of the non-supervisors in the WRPS have attended college, for example, and nearly a quarter of them already have at least a bachelor's degree.¹⁰³ Managerial ambitions might also be important for the increasing share of professional and technical workers. Some of this work is becoming more routinized; where this is so, employees may become interested in advancing to jobs in which they can exercise supervisory authority.¹⁰⁴ And even where jobs remain fairly autonomous, as in the case of scientists and engineers, advancement in these areas often requires taking on managerial responsibilities.¹⁰⁵ The perceived likelihood of promotion from a job featuring low levels of influence into a job with higher levels of influence may have effects on what kinds of representation workers want.

Under some circumstances, workers view low levels of influence as a temporary condition, or as an aspect of initiation into an organization. In professional service industries such as law, accounting, or investment banking, for example, new associates in large firms perform tedious tasks under difficult working conditions, with very little influence over their work.¹⁰⁶ Yet the WRPS did not ask much about promotions, an aspect of work about which these kinds of workers are likely to be quite interested. Attention to promotion may undermine workers' interest in collective representation, especially where promotion opportunities are structured as a "tournament."¹⁰⁷ While workers might have some interest in establishing fair and consistent rules for promotions, a diversity of views among such employees about the distribution of rewards is likely to hamper their ability to represent their concerns collectively. Employees who expect to gain promotion may also be interested in preserving their future ability to exercise managerial discretion. Low levels of influence are also more accept-

102. *Id.* at 10.

103. *Id.*

104. J. Richard Hackman, *What is Happening to Professional Work?* 2 *PERSP. ON WORK*, 1, 4-6 (1998).

105. See generally Thomas J. Allen & Ralph Katz, *The Dual Ladder: Motivational Solution or Managerial Delusion?* 16 *R&D MGMT.* 185 (1986).

106. Peter D. Sherer, *Leveraging Human Assets in Law Firms: Human Capital Structures and Organizational Capabilities*, 48 *INDUS. & LAB. REL. REV.* 671, 673 (1995).

107. See Brian G.M. Main et al., *Top Executive Pay: Tournament or Teamwork?* 11 *J. OF LAB. ECON.* 606, 606-09 (1993).

able where workers believe that internal systems of promotions give management a sense of non-supervisory employees' interests, thereby reducing the need for more formal representation.

VIII. WHAT WORKERS WANT

American workers want more collective representation.¹⁰⁸ Ideally, such representation would have some independence from management, but would provide advocacy while improving, and not weakening, their employers' abilities to confront business problems. Freeman and Rogers conclude from the WRPS findings that the most pressing need for reform of policy governing workforce representation is to find ways to permit a diversity of forms to flourish.¹⁰⁹ They arrive at this conclusion despite their underestimation of the diversity of contemporary workplaces and worker interests.

Non-standard work arrangements, the increasing involvement of customers and clients in the workplaces, and the representation of workers' interests at multiple levels of management in which the players keep shifting, all raise challenges for us in understanding what workers really want. These challenges themselves play out in contexts that are even more diverse. The geographic dispersion of the workplace differs across firms and industries, as do the technological and strategic bases for distinctions between labor and management, and these factors themselves change over time. For example, even as banks decentralize their branch systems and empower local employees to win customers, they are gathering large numbers of employees together in telephone call centers to perform tedious, low-paying jobs over which workers have little influence.¹¹⁰

Perhaps most critically, the values of managers also differ across firms. It is conventional to observe that managers who do not seek profits will be punished by the market. It is less commonly observed that there is uncertainty among managers or among markets about how to connect decisions that affect workers to forecasts of firm prosperity. Some managers may focus on the costs of either allowing extensive worker influence. There are also costs of failing to extend worker influence, however, and managers retain considerable discretion in making these kinds of choices.

The kinds of representation that American workers want may depend heavily on the values their managers hold, and in turn, on workers' understanding of those values and how tightly they expect their managers to

108. See FREEMAN & ROGERS, *supra* note 1, at 40.

109. *Id.* at 155.

110. Jacqueline Day, *Level Playing Field at First Union Call Centers*, BANK SYS. & TECH., May 1994, at 35-37; Roberto M. Fernandez et al., *Social Capital at Work: Networks and Employment at a Phone Center* 105 AM. J. SOC. 1288, 1298-1300 (2000).

cling to them. The benefits of EI and collective representation seem clear, yet appear to be under valued by many managers. As long as managers strive first to protect their own decision-making discretion, workers can always expect to find an influence gap, regardless of their independent collective representation. For their part, workers well understand that the workplace contains both genuine conflicts of interest and large areas of shared interest. Most employees want to work together with their employers to improve their firms' prospects as well as their own welfare, yet many of them feel thwarted.

Those interested in the extension of workplace democracy may find this outlook bleak, particularly because collective representation in the workplace is a fundamental human right, and a way for workers both to protect their own dignity and to exercise influence. Such observers might take some comfort in a recent phenomenon: the rise to prominence of shareholder theory. Just two decades ago the idea that firms exist solely to maximize shareholder value was an obscure set of academic ideas; today it has a dominant effect on practice and provides the intellectual underpinning for much of the contemporary business school curriculum.¹¹¹ Ironically, perhaps, the extension of these ideas has also undermined conceptions of the firm in practice as a unitary set of interests. Conflicts between various parties inside organizations have been firmly established as legitimate areas of management concern with the ascendance of economics-based agency theory.

Thus, the stage has been set for considering "what workers want" as a matter of policy. The development of research and instructional programs that take seriously the collective expression of employee interests has the potential to be as influential as shareholder theory has been. We know that workers want the ability to organize collectively and independently, and also to cooperate with management. We might begin to concentrate more on how we will identify independence and cooperation when we see them. Attention to detailed aspects of the process of worker organizing, for example, may yield less insight than careful study of the outcomes of experiments with a richer variety of representation schemes.

The WRPS findings provide extensive opportunities for researchers and teachers, especially those who study management and instruct future managers. Identification of such opportunities pales in difficulty compared to the challenges of designing public policy to move the hearts and minds of management. Such difficulties in turn strengthen Freeman and Rogers' argument for policy that would support a diversity of representational forms.¹¹² Effective representation is likely to vary depending on context,

111. See generally ALLAN A. KENNEDY, *THE END OF SHAREHOLDER VALUE: CORPORATIONS AT THE CROSSROADS* (2000).

112. FREEMAN & ROGERS, *supra* note 1, at 155.

and effectiveness is a fundamental requirement if influence is not to be undermined by management opposition. New policy approaches ought to continue to allow employees to organize independently and to work together with their managers. These policy approaches should also be relatively open to a variety of forms through which these two processes might occur. Such policies would allow more experimentation with different structures, and would allow a range of strategies to be pursued in providing collective representation across the diverse population of American workplaces.