# Building Organizational Democracy

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### **Motivation**

- Examples of organizational democracy
- Worker cooperatives
- Credit unions
- Producer cooperatives
- Utility cooperatives
- **Partnerships**
- Organizational democracy has various positive social externalities
- Conversion from conventional structure to workplace democracy is a puzzle
- Tension with strong leadership
- Democratic participation unfamiliar to most workers

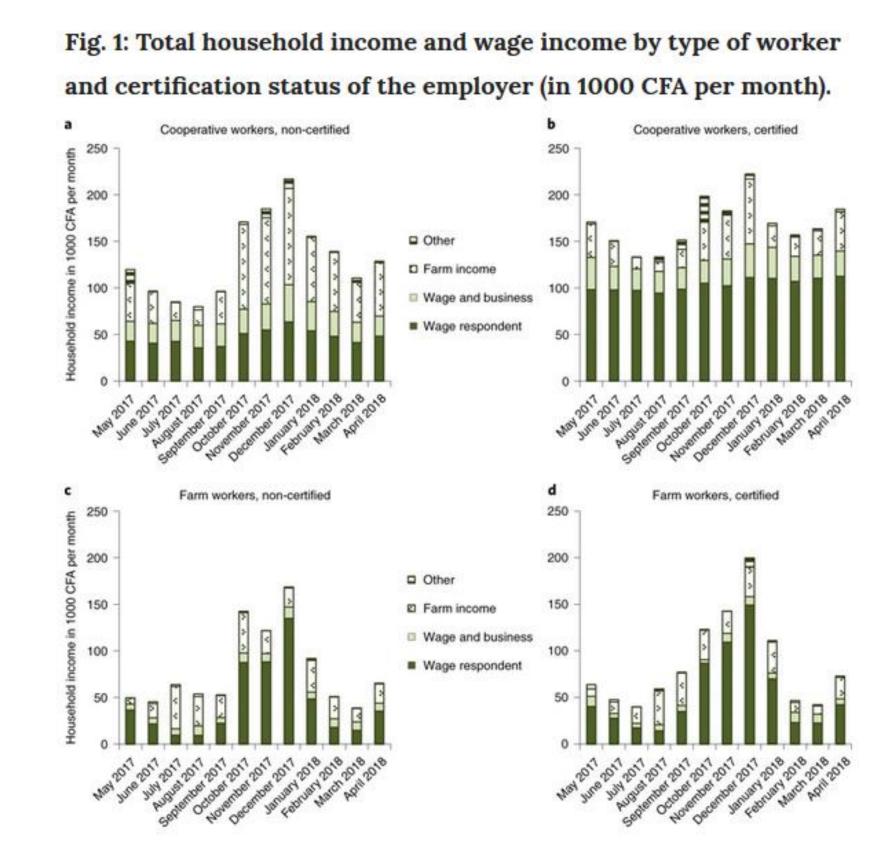
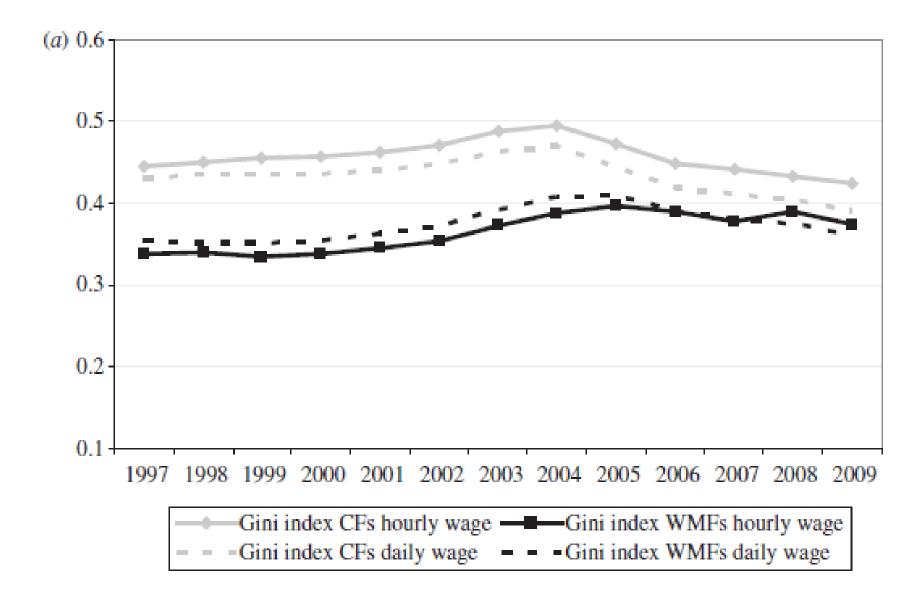


Chart 2: Wages and Wage Stability in Farming Cooperatives (Source: Meemken et al. 2019)



**Chart 1:** Wage Inequality in Conventional Firms and Worker Cooperatives (Source: Burdin 2016)



This project will examine <u>how</u> organizations <u>transition</u> from centralized power structures to <u>organizational democracy</u>.



## **Project Description**

- Ethnography of interpersonal dynamics during conversion process
  - Two years of data collected
- Tracking evolution of governance structure
- Tracking evolution of individuals' involvement
- Automated video data collection
- Data
- Audio transcripts
- Video recordings

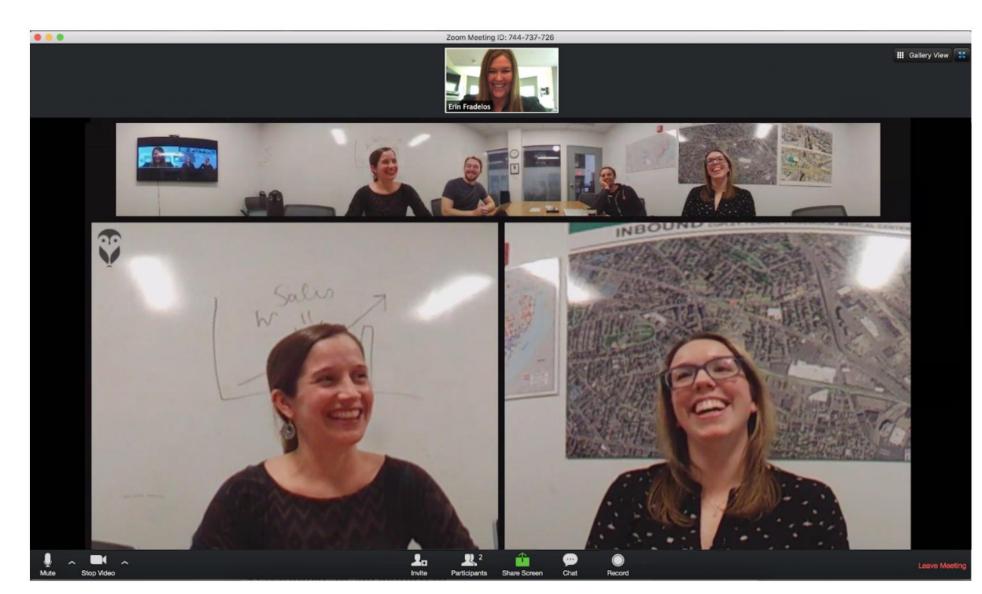


Figure 1: Illustration of Video Data Collected Through Video Conferencing System

#### **Context**

- Current research emphasizes when an organization become more democratic, focusing on external factors
- This study will focus on internal dynamics
  - Role of the founder
  - Events that accelerate or impede change

## **Project Deliverables**

- Mid-term deliverable December 2020
  - 25,000 pages of transcribed meetings
  - 60 hours of recorded video
- Final deliverable May 2021
  - Manuscript on process model of workplace democracy emergence
- Extension of project December 2021
- Extension of data collection to multiple firms in process of conversion
- Pittsburgh Taskforce of Worker Ownership
- National Center for Employee Ownership

## **Potential Impact**

- Offers practical solution to salient policy problem
- Facilitates alternative economic development strategy