Competent or Competitive? How employee representatives gain influence in organizational decision-making $^{\rm 1}$

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Abstract

Conflicts of interest between management and employees are part of organizational life. To manage these conflicts, employee representatives (ERs) often participate in organizational decision making. The objectives of this paper are to investigate the relation between perceived competences of ERs and their influence on organizational decision-making in different types of issues, and the mediating effect of ERs' conflict behaviors on these relations. To test the hypotheses, which are based on theories of power and conglomerate conflict behavior, survey data from 614 human resources directors from 11 European countries were analyzed using structural equation modelling. Results show that perceived competences are positively related to the influence of ERs on decision-making, both for traditional and for innovative issues. Perceived competence is positively related to cooperative, and negatively related to competitive conflict behavior. Conglomerate conflict behavior partly mediates the relation between perceived competences and influence. Implications for representative influence are discussed.

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Introduction

"In our company we have a works council of 11 employee representatives. They are entitled to involvement in decisions on strategic issues, but they usually don't really understand the issues well and they respond in a defensive manner. However, when they are supportive towards our plans, it will certainly help implementation. So my dilemma really is, to what extent and at what moment do I involve them?" (HR director of a large financial institution in Belgium).

This quote addresses the core issues of this paper. Employee representatives (ERs) can play a crucial role in organizational decision-making. However, to gain influence they need to be taken seriously by management. The HR director in the above example needs ERs as competent partners, who are willing to cooperate, otherwise they are at risk of being marginalized and minimally involved in decision-making. As a result, the implementation of the decisions may be jeopardized. ERs are agents on behalf of their coworkers and are supposed to defend their interests, for example, when it comes to issues such as working conditions, health and safety, pay, restructuring, job security and inclusion.

This paper focusses on the influence of ERs on organizational decision-making, exploring the role of perceived competences of ERs and their conflict behavior. This issue is relevant for any agentic role in decision-making. Within organizations, for example, we often find committees with employees, academic staff, student representatives, or representatives of clients or patients, to be consulted on a variety of issues. Are they taken seriously in decision-making? And what contributes to their influence? With addressing the role of competences and conflict behavior, this study contributes to the existing literature in four ways. (1) It offers

unique data on perceptions of HR directors on antecedents and consequences of conflict behavior by ERs, a subject hardly studied and also relevant for other agentic roles (2) It investigates the relation between perceived competences, conflict behaviors and types of conflict issues, thereby extending the framework of competences and testing this in a context of representatives. (3) It examines the conglomerate conflict behavior theory (CCB) (Van de Vliert, Euwema & Huismans, 1995) that links the combination of different behaviors to different types of conflictive issues in the context of industrial relations. (4) It aims to contribute with practical tools for agents in conflictive decision-making, particularly in industrial relations.

Employee representatives participating in organizational decision making

Collective conflicts are part of organizational dynamics, particularly when the interests of management and employees are not aligned (Lewicki, Elgoibar & Euwema, 2016). To promote integration of perspectives, quality of decision-making and support for organizational decisions, employee participation in decision-making has been a cornerstone of recent management theories (Markey & Townsend, 2013). Kallaste and Jaakson (2005, p. 5) define employee participation as: "his/her opportunity to participate in a company's decision making regardless of his/her position". Employees can exert influence by two types of participation. *Direct participation*, meaning the influence employees exert at the shop or office floor level (Markey, Ravenswood, Webber & Knudsen, 2013). This involves employees directly, particular at shop floor level (Kallaste & Jaakson, 2005). *Indirect participation*, meaning the influence exerted through representatives of employees (Markey et al., 2013; Wilkinson, Gollan, Marchington & Lewin, 2010). This type of participation aims for a fairer division of power within the organization (Summers & Hyman, 2005) on a structural level. It also impacts a broader range of decisions (Knudsen, 1995), including health and safety, inclusion

policies, and downsizing and restructuring (Van der Brempt, 2014). This paper focusses on such indirect participation.

One of the institutionalized forms of indirect participation is often referred to as social dialogue, and defined as: "discussions, consultations, negotiations, and joint actions involving organizations representing the two sides of industry, both employers and workers. It is a process by which relevant parties seek to resolve employment-related differences via an information exchange" (Bryson, Forth & George, 2012, p. 5). Social dialogue as a formal platform for consultation and participation in decision-making has a long tradition, particularly in Europe. HR managers and works councils generally represent the two sides of the table of these joint actions. The European Union legislation requires a works council in organizations with 50 or more employees. Employees of the organization elect their representatives for this works council. ERs are typically elected for a period of four years and have a protected position (Stegmaier, 2012). ERs are normally employed in the organization and have a part-time or full-time role representing their co-workers in negotiations, different types of organizational conflicts, and decision-making processes with management (Conchon, 2013a, 2013b; Munduate, Euwema, & Elgoibar, 2012; Euwema, Munduate, Elgoibar, García & Pender, 2015). The works council meets with top management to discuss all issues relevant for employees in the organization. Typically, the HR director plays a key role in these meetings representing management.

The regulations towards works councils, elections and the rights of ERs differ between EU member states (Conchon, 2013b; Pulignano, Martinez-Lucio & Whittall, 2012). ERs have under European law, as well as under national laws, quite some decisive power when it comes to vital issues in the organization, varying from health and safety to mergers and acquisitions (Euwema et al., 2015). Nevertheless, it is less clear what the actual influence of ERs is on the

decision-making. "Influence is 'power in action', just as power is 'potential influence'" (French & Raven, 1959, p. 261). Influence and power are thus seen as two parts of the same coin. Anderson and Brion (2014) expressed this by stating: "Power represents a source of potential influence that may or may not be realized through compliance from others (2014, p 69)". Indeed, ERs often have a large potential to influence, which is based on different sources, varying from labor law to personal competences and working relationships with management (Martinez-Lucio, 2016; Munduate & Medina, 2017). Given the importance of power for organizational dynamics, social scientists have analyzed how individuals achieve power within organizational groups – that is, how they gain respect, prominence and influence in the eyes of others (Galinsky & Kilduff, 2013). The theory of bases of social power (French & Raven, 1959) examines the sources and specific resources used by powerholders to influence others. This classic theory proposes five bases of power: reward, coercion, legitimacy, reference, and expertise. ERs gain more influence in decision- making with management, depending on the different power sources available and their willingness and ability to use these. There is evidence that the nature of the resource that a power holder controls may affect how the other party responds to that power (Cialdini & Goldstein, 2004). For example, Munduate and Dorado (1998) found that the use of expert power, or being perceived as competent, promotes a cooperative relationship with the other party. Expert power is defined as target's perception of having expertise or knowledge in a specific domain (French & Raven, 1959). Following French and Raven (1959), and Korsgaard, Schweiger & Sapienza (1995), we define influence in this context as the degree to which ERs' input affects or is reflected in the final decision. According to Marginson, Hall, Hoffmann & Müller (2004) maximal influence is achieved when an organizational decision, taken by management, is substantively changed as the result of the influence exerted by the works council. "A more

minimal impact is acquired when the implementation of a decision made by management is changed by ERs' exerted influence" (Marginson et al., 2004, p. 211).

Based on the relationship with management, several authors distinguish five types of works councils: antagonistic, tough, cooperative, passive, and excluded by management (Dilger, 2002; Frick, 2002; Nienhueser, 2009). According to Nienhueser (2009) the influence of ERs in the decision making process is related to these types of works council. For example, Dilger (2002) shows that tough and cooperative works councils have a positive effect on work-time arrangements, and organizations with cooperative works councils show less labor turnover. Antagonistic works councils correspond with less attraction of employees towards the organization (Nienhueser, 2009). According to Wigboldus, Looise and Nijhof (2008) positive effects of participation only occur if management welcomes the information provided by ERs and consider applying this for making improvements. Addison (2005) additionally stated that by a higher involvement of works councils, managers get more acquainted with the attitudes and opinions of the employees (Wigboldus et al., 2008). When ERs are highly integrated and connected to management, they participate actively, while in case of a low integration they are largely excluded from essential management decision-making processes, or the issues at stake are minimized or delayed (Levinson, 2001). This brings us to the issues at the negotiation table.

ERs are meeting with management on a large variety of issues. Some of these are obligatory, and defined by law, and therefore can be seen as traditional issues, such as working conditions, working hours, and wages (Guest, 2016), as well as the organization of jobs (Van der Brempt, 2014). Other issues have developed more recently, and are therefore referred to as innovative issues. These often are less evident to discuss, and putting these on the agenda might depend more on the relationship between management and ERs. For

example, when relations are cooperative, management might be more open for initiatives to discuss employee related issues such as inclusive HR, sustainability issues, or training and support (Van Gyes, 2010). Workers are increasingly concerned with issues like learning, dignified treatment, transparency, integrity, and personal development. Therefore, in this study we differentiate between two types of issues: a) *traditional issues*, such as working hours, pay, incentive systems and performance targets; b) and *innovative issues*, such as work-life balance, equality, green issues and corporate social responsibility (Cutcher-Gershenfeld & Kochan, 2004). In the area of industrial relations, to our knowledge no studies have been conducted relating perceived competences and conflict behavior to the influence of ERs on decision making in these different domains.

Based on general negotiation theory, it is well documented that skilled negotiators are more effective and build up their power in organizations (Soares & Passos, 2012). ERs' communication and negotiation with management is often related to conflictive issues, therefore both cooperative and competitive conflict behaviors of ERs might contribute to their influence. Figure 1 presents our research model and the hypotheses, which will be discussed below.

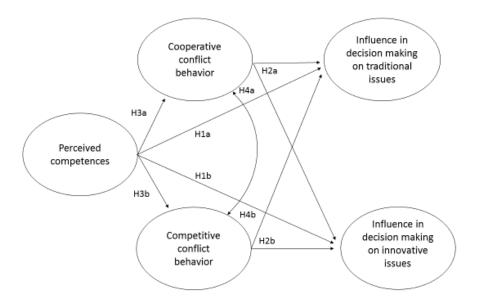


Figure 1: Research model and hypotheses

Competences and influence of ERs in organizational decision making on traditional and innovative issues

To gain influence in decision making ERs can use different power sources, such as legitimate rights or mobilization of constituencies. According to Yukl and Falbe (1991) power sources are related with either positional or personal power. *Positional power* arises from the status held in a group or organization, and *personal power* arises from personal attributes and the kind of relationship established with the other party. Reward, coercion, and legitimacy power bases are related with positional power, while expertise and reference relate to personal power. ERs gain maximum influence by using both positional and personal power. However, combining these two is not evident. Management might perceive ERs as having positional power, for example when they are in a position to block decision making. These ERs might not have personal power towards management, when they are not seen as competent counterparts. In case of sensitive issues for the constituency, ERs might feel pressured to use their positional power, showing through high demands and threats. However, this might not

necessarily result in more influence and better outcomes for them (Aaldering & De Dreu, 2012). If, however, ERs pay attention to the more cooperative employees among their constituencies, they might gain personal power in their relationship with management, and achieve more integrative results (Aaldering & De Dreu, 2012).

Agents such as ERs have to balance between various interests: those of their constituencies (not necessarily sharing all the same interests), the organization (in their role as being employees), other ERs, and their own self-interest as agents and employees. Being a competent ER, therefore, can be quite challenging and stressful (Elgoibar, 2013). Spencer and Spencer (1993, p. 9) define competence as: "the underlying characteristic of an individual that is causally related to criterion-referenced effective and / or superior performance in a job situation". Managers perceive ERs as competent, to the extent that are knowledgeable, have the appropriate skills, and adequate attitudes (Soares & Passos, 2012). However, managers perceive that ERs often lack important competences, such as knowledge about business economics and change, and proactive and innovative attitudes (Euwema et al., 2015). In addition, HR managers and ERs have different perspectives on the organization. This is related to their position, but also to difference in values (Lewicki et al, 2016), education, and business training. Large differences in qualifications between ERs and management reduces their participation and their influence (Jirjahn & Smith, 2006). According to Van der Brempt (2014) ERs have more influence in decision making when they share comparable values and attitudes with management, as ERs will be perceived as more competent. The theory on bases of power predicts that expertise and competences of ER's, related with both traditional and innovative issues, contributes to their personal power. Therefore, they are important sources to influence decision-making processes with management. Based on this theory we expect a positive relation between perceived competences and influence on decision-making by ERs, and we expect so for both types of issues.

H1: Perceived competences of ERs are positively related to influence of ERs, both for traditional (H1a) and innovative (H1b) issues.

Conflict behavior by ERs and influence in decision making

Conflict behavior can be defined as "a parties' reaction to the perceptions that one's own and other party's current aspirations cannot be achieved simultaneously" (Rubin, Pruitt & Kim, 1994, p. 20). Conflict behavior can be cooperative and competitive. *Cooperative behaviors* are those in which a party takes into account the interests of the other party in relation to the conflict issues. Cooperation is working together with the other party to achieve a common set goal, such as to find an optimal solution for conflictive interests. *Competitive behavior* on the other hand refers to parties striving towards their own goals and interests, on the expense of the other party, and perceiving no common goal to achieve (Carnevale & Pruitt, 1992).

In industrial relations, and in negotiations more generally, cooperation doesn't necessarily imply also a strong impact on the decision-making by both parties. Particularly when facing conflictive issues between management and employees, competitive actions are sometimes needed to achieve power balance (Van de Vliert, Euwema & Huismans, 1995). Walton and McKersie (1995) already acknowledged that in industrial relations competitive and cooperative behaviors both have their merits. In their work they emphasize the importance of combining both behaviors. This is due to the fact that most negotiations in this context are complex and multi-issue, with integrative potential requiring cooperative and creative problem solving behavior, as well as with distributive elements also requiring competitive behavior (Euwema et al., 2015; Sebenius, 2015; Walton, & McKersie, 1995).

Studying the effects of the combination of conflict behaviors is the essence of the theory of conglomerate conflict behavior, or CCB (Van de Vliert, Euwema & Huismans, 1995; Munduate, Ganaza, Peiró & Euwema, 1999). CCB theory states that most conflict and negotiation situations are complex, and in these situations, a combination of cooperation and competition, either sequential or simultaneous, is common as well as beneficial (Euwema & Van Emmerik, 2007; Van de Vliert et al., 1995). Several studies show that competing behaviors (such as forcing) and cooperative behaviors (such as problem solving) do not necessarily exclude one another (Elgoibar, 2013; Medina & Benitez, 2011). Furthermore, the combination of these behaviors contributes to effective outcomes (Euwema, Van de Vliert & Bakker, 2003). Van de Vliert, Nauta, Euwema and Janssen (1997), for example, showed that the combination of problem solving (cooperative behavior) and forcing (competitive behavior) results in better outcomes, both for the actor, and for the joint outcomes of parties (see also Emans, Munduate, Klaver, & Van de Vliert, 2003). Munduate et al. (1999) showed that complex conflict behavior, combining different styles, results in the most optimal conflict outcomes. Cialdini and Goldstein (2004) also demonstrated the effectiveness of combining soft and hard tactics of influence. In line with this, Martinez, Munduate and Medina (2008) found that using a broader range of tactics is more effective than using a smaller range of tactics in terms of the target's satisfaction, commitment, and well-being. So, taken together research on different areas of conflict management and influence show that the combination of cooperative and competitive behavior contributes to effective outcomes.

Research on conflict behavior by ERs is scarce (García, Pender, & Elgoibar, 2016). A recent study by Elgoibar, Munduate, and Euwema (2012) among Spanish ERs showed a high use of the combination of integrating and forcing conflict behavior. Also, these two behaviors were positively related (Elgoibar, 2013). However, this study was based on ERs' self-reports, and it

is likely that others, such as management, do perceive conglomerated conflict behavior differently. More specifically, they might be inclined to perceive more of a contrast between integrating and forcing (Gross & Guerrero, 2000). Often competitive or forcing behavior is negatively related to outcomes when studied as a unique style (Deutsch, 2014). We expect that when considered together, competitive and cooperative conflict behaviors contribute positively to the perceived influence of ERs in organizational decision-making. This might be so for both types of issues.

H2: As parts of a conglomerate, cooperative and competitive conflict behavior by ERs are positively related to perceived influence of ERs, both for traditional (H2a) and innovative (H2b) issues.

Perceived competences and conflict behavior by ERs

There is substantial literature on the perceived competence in conflict management related to conflict behavior (Gross & Guerrero, 2000; Gross, Guerrero, & Alberts, 2004; Suppiah & Rose, 2006). Studies in this area focus on the appropriateness and effectiveness of different conflict behaviors. For instance, Gross and colleagues clearly demonstrate that cooperative behavior, particularly integrating, is perceived as highly competent, while forcing behavior is mostly perceived as a less competent way of dealing with conflict. Parties themselves see merit in forcing, particularly when combined with integrating behavior. However, the counterpart does usually not perceive forcing as competent conflict management (Gross et al, 2000, 2004). This competence-based approach of conflict behavior is relevant for our study as competence in conflict management and negotiation is seen as an essential skill for ERs, both by themselves (Munduate et al, 2012), as well as by employers (Euwema et al, 2015). Based

on the above mentioned studies by Gross and colleagues, we might postulate that there is a positive relation between cooperative conflict behavior and competences of ERs as perceived by management, while a negative relation might exist between competitive conflict behavior and perceived competences of ERs.

Competences of ERs are not limited to conflict skills, and are related to knowledge (i.e. labor law and business), and a variety of both hard and soft skills, including communication and negotiation skills (Munduate et al, 2012; Soares & Passos, 2012; Van der Brempt, 2014). Competences of ERs, as perceived by management, are summarized as a positive attitude towards change, high levels of expertise, and an integrative focus, that includes concern for the companies' interests and needs. From the perspective of employers perceived competences of ERs are related to a cooperative attitude and related behaviors, while competitive behaviors are perceived as problematic (Euwema et al, 2015). Hence, we expect:

H3: Perceived competences of ERs are positively related with cooperative conflict behavior (H3a) and negatively related with competitive conflict behavior by ERs (H3b).

Conflict behavior mediating the relation between competences and influence of ERs

Industrial relations are prone to conflict by nature (Lewicki et al., 2016). Therefore, the way conflict is managed is critically important and related to ERs' influence in decision-making. Jirjhan and Smith (2006) showed in a review of German works councils, that a more cooperative climate and related behaviors contribute to the acceptance of participation of ERs. This in line with Van den Brempt (2014, p 23) who argues: "employee representatives will hold the most favorable perspective of works council effectiveness when managers and ERs cooperate to resolve work floor bottlenecks and make high-quality decisions. This is in line

with organizational behavior research, showing that cooperation is one of the principle antecedents of high-quality decisions, group members' satisfaction, willingness to stay in the group and high task performance influence of works councils". So, cooperation indeed contributes to influence of works councils. Cooperation, in its turn, is driven by perceived trustworthiness (Ferrin, Bligh & Kohles, 2008; Munduate, Euwema & Elgoibar, 2016). One of the components of trustworthiness is the ability, or competences of the other (Mayer, Davis, & Schoorman, 1995). So, we assume that the relation between perceived competences and influence of ERs might be mediated by their conflict behavior. Competent ERs are effective in managing conflict, and by doing so, they gain influence in the decision-making.

Previously we also argued that, for ERs to gain influence, a combination of cooperative and competitive behavior is most effective. How will these conflict behaviors mediate the relation between perceived competences and influence? It seems somewhat paradoxical that employers might perceive competent ERs as more cooperative and less competitive (H3) while these behaviors are both expected to contribute positively to ERs' influence (H2). The way, in which these behaviors mediate the relation between perceived competences and influence, might thus be different. CCB theory prescribes to look at this mediation in congruence. Therefore, the mediating role of these behaviors is best understood when we take both into account simultaneously. As components of a conglomerate, we expect that both cooperative and competitive conflict behavior by ERs partly mediate the relation between perceived competences and influence in decision making. We expect so for decision-making on traditional as well as innovative issues. Additionally, we explore to what extent these effects differ for these two types of issues. Traditional issues such as pay, incentives, and working hours, may also be seen as distributive issues. When it comes to pay, it might be more difficult to find integrative potential compared to innovative issues, such as health and

safety. For example, both employers and employees benefit from a reduction of sick leave. So, it is not unlikely that to gain influence on traditional issues, competitive behavior is needed more, compared to innovative issues, and the other way around for cooperative behaviors. Hence, we formulate

H4: The relation between perceived competences of ERs and their influence on organizational decision-making is mediated by cooperative and competitive conflict behavior both for traditional (H4a) and innovative (H4b) issues.

Method

Procedure and Respondents

In order to test our hypotheses, data was collected through an online survey in 11 European countries: Belgium, Denmark, Estonia, France, Germany, Italy, the Netherlands, Poland, Portugal, Spain, and the United Kingdom. In all countries, HR directors and managers, from different sectors and sizes, were invited to participate using different networks in each participating country. We followed random sampling procedures in each country, distributing the surveys among networks, without pre-selection. We focused on HR directors and HR managers as they deal in most organizations most frequently with ERs and are engaged in most negotiations. Overall, 614 HR directors and HR managers completed the survey. The average age of the participants was 43,5 years, with 50% male and 47% female respondents (3% unanswered). The survey and instructions were translated into 10 languages (Danish, Dutch, English, Estonian, French, German, Italian, Polish, Portuguese and Spanish). For Belgium, both Dutch and French surveys were made available. In addition to measuring our key variables, information on participants (age, gender, role, education, years actively in contact with ERs), and organizations (number of employees, economic conditions) was

gathered. We also conducted more than 100 interviews with HR directors, which are used to contextualize our results and illustrate our findings.

Measures

Perceived competences of ERs

This construct was measured through nine items of a scale developed for competences of ERs (Munduate et al., 2012). The question was: "To what extent do you believe that ERs are competent in...?" (E.g. labor law, HRM, social skills...). (See appendix for the complete list of items). The respondents rated these competences on a Likert scale ranging from 1 to 5. Following George and Mallery (2003), reliabilities for the scales were good, with Cronbach's alpha .94.

Cooperative and competitive conflict behavior

These measures are based on Hempel, Zhang and Tjosvold's (2009) conflict behavior scale. The current scale includes four items of the original five items' subscales. An example for cooperative behavior is: "Employee representatives encourage a 'we are in it together' attitude". An example for competitive behavior is: "Employee representatives treat conflict as a win-lose contest". Respondents rated these behaviors on a Likert scale ranging from 1 to 5 (1=not at all; 5=very much). Following George and Mallery (2003), reliabilities for the scales are good, with Cronbach alpha's .85 for cooperative behavior and .91 for competitive behavior.

Influence of ERs

Influence of ERs on organizational decision-making has been explored through items originally developed by Munduate et al (2012). Likert scales ranging from 1 (no impact) to 5 (high impact) were used to assess participants' opinions on ERs' influence related to a variety

of organizational issues. The main question being: "To what extent do employee representatives in your organization have impact on the following subjects? (referring to: working hours, training, career development, pay and incentives, performance targets, worklive balance, equality issues, corporate social responsibility, health & safety, and green issues)?". An exploratory factor analysis resulted in two factors, which were labeled traditional and innovative issues. The item on training and career development loaded on both factors, and were for that reason left out of further analyses. Reliabilities for the scales were acceptable to good with Cronbach's alpha's being .74 for traditional issues (3 items: working hours, pay and incentives, performance targets) and .86 for innovative issues (5 items: worklive balance, equality issues, corporate social responsibility, health & safety, and green issues).

Results

Table 1 displays the descriptive data. Influence of ERs in organizational decision-making is limited, with an average score below the mean scale of the score between 'little impact' and 'some impact'. Influence is higher regarding innovative issues (M=2.81) as compared to influence on traditional issues (M=2.65). With regard to conflict behavior, ERs on average show slightly more cooperative behavior (M=2.74) than competitive behavior (M=2.63). Finally, their competences are perceived as below the mean of the scale, indicating a modest competence level (M=2.45). As expected, perceived competences are positively related with influence, both on traditional issues (r=.30, p<.01), as well as on innovative issues (r=.45, p<.01).

Table 1: Descriptive statistics of the research variables (N=614)

	М	SD	(1)	(2)	(3)	(4)	(5)	(6)
(1) Gender	-	-	1					
(2) Age	43.24	9.70	18**	1				
(3) Perceived competences	2.45	.77	.24*	00	1			
(4) Cooperative CB	2.74	.99	00	00	.61**	1		
(5) Competitive CB	2.63	.95	10*	00	24**	41**	1	
(6) Influence on traditional issues	2.65	.89	08*	01	.30**	.21**	.16**	1
(7) Influence on innovative issues	2.81	.82	11**	.05	.45**	.43**	01	.53**

^{*}*p* < .05, ** *p* < .01

Furthermore, perceived competences are positively related to cooperative conflict behavior and negatively related to competitive conflict behavior. Cooperative conflict behavior by ERs is positively related to influence of ERs, both on innovative and traditional issues. Competitive conflict behavior by ERs is positively related to influence on traditional issues. Cooperative and competitive conflict behavior are negatively related. Gender is positively related to perceived competences, indicating female HR directors perceive ERs as more competent compared to male HR directors.

Structural Equation Modeling (SEM) was conducted to test all hypotheses simultaneously, given that the model assumes relations between both mediating variables and the two dependent variables. The analyses were conducted with SPSS AMOS (Arbuckle, 2014). As control variables gender, age and country of respondent were included. In order to estimate the standard errors and the confidence intervals of indirect effects we performed bootstrapping (10,000 samples and 95% bootstrap confidence intervals).

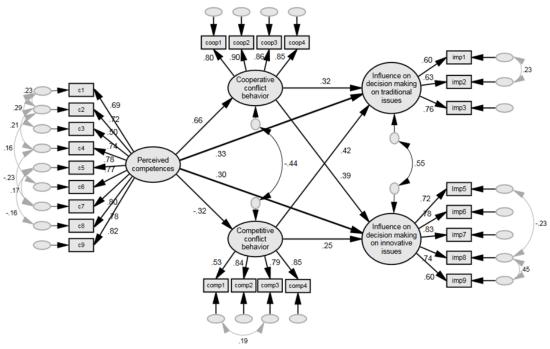


Figure 2. Structural Equation Modeling of the key research variables

The final model is presented in Figure 2. This model shows an acceptable fit ($X^2 = 786.800$; DF=254, X^2 /DF= 3.098; RMSEA = .059, CFI= .942 and TLI= .931), which means the model fits well to the data (Weston & Gore, 2006). As a check we performed, SEM multi-group analyses (Arbuckle, 2014) on gender and age, and this did not change the results and these control variables are therefore excluded from the reported results. We also added country as a control variable, but we did not have enough cases for most of the countries to perform a reliable multi-group analysis. However, controlling for country also resulted in a fitting model, with only marginal changes on all relevant parameters (RMSEA .065, CFI .89 and TLI .88). Most respondents did not specify the organization. For that reason, we were not able to code the sectors in a meaningful way.

The model shows all expected relations, thus offering support for H1 (perceived competences are positively related to influence in decision making on tradition (H1a) and innovative (H1b) issues and H2 (as parts of a conglomerate, cooperative and competitive conflict behavior

contribute positively to influence on decision making on traditional issues (H2a) and innovative issues (H2b). Perceived competences are positively related with cooperative conflict behavior (H3a), and negatively related with competitive conflict behavior (H3b).

To test H4, mediation of conflict behaviors on the relation between perceived competences and influence, we explored the multiple direct and indirect effects of perceived competences on influence in greater detail. Table 2 presents the relevant estimated parameters separately for the influence on traditional and innovative issues.

Table 2: Direct and indirect effects of perceived competences on influence

Perceived Competences and Influence on Traditional Issues (TI)						
	Standardized effect	SE	P			
Total effect	.405	.056	.00			
Direct effect	.325	.067	.00			
Indirect effect	.080	.050	.11			
Competences -> Cooperative CB -> TI	.211					
Competences -> Competitive CB -> TI	134					

Perceived Competences and Influence on Innovative Issues (InnI)							
	Standardized effect	SE	P				
Total effect	.477	.042	.00				
Direct effect	.301	.059	.00				
Indirect effect	.176	.042	.00				
Competences -> Cooperative CB -> InnI	.257						
Competences -> Competitive CB -> InnI	080						

The indirect, or mediation, effect for influence on decision-making of traditional issues is not significant (see table 2). However, when a closer look reveals that opposite mediating effects exist. The positive path from competencies through cooperative conflict behavior is almost eliminated by the negative path through competitive conflict behavior. The joint effect of both indirect effects eliminates the total mediation effect, an example of "net suppression" as

described in Zhao, Lynch and Chen (2010, p 204). In case of the relation between ERs' competences and innovative issues the same mechanism is observed, however, in this case the joint effect of both indirect paths remains significant, given the relative strong positive effect through cooperative conflict behavior, compared to the small negative parameter from competitive conflict behavior. Hence, H4 is partly confirmed.

Discussion

The current study focuses on the influence of employee representatives (ERs) on organizational decision-making. In many organizations ERs negotiate with management on behalf of their coworkers, and are engaged in decision-making on a large variety of issues. We investigated the perceptions of HR directors in European organizations, who are the natural counterparts of ERs at the negotiation table. Despite the formal and legal position of ERs in European organizations, their impact on organizational decision-making is disputed. Although their formal power might be substantial, it is to a large extent management who either empowers ERs or minimizes their influence, reducing them in some cases to 'toothless tigers' (Elgoibar, 2013). By way of illustration we present some representative quotes of the HR directors we interviewed, to interpret the quantitative findings. Our study adds six contributions to the knowledge of influence by representatives in decision-making. We conclude this, by addressing possible implications for other agentic roles.

1. ERs' perceived competences are key to their influence in organizational decision making

First of all, this study shows a positive relationship between perceived competences of ERs

and their perceived influence on both traditional and innovative issues. This outcome is in line

with the theory of bases of power (French & Raven, 1959), underscoring that perceived

competence can be seen as expert power (Munduate & Medina, 2017). Expert power is typically linked to specific areas of expertise. Our current study takes a much broader perspective, showing that the general perception of competences is directly related to influence in decision-making on different types of issues. In our study the assessment of competences resulted in one factor, covering a broad range of expertise and hard and soft skills. This is a strong indication that HR-directors make a more holistic evaluation of the competences of ERs. It is noteworthy here to mention that in a previous European study (Munduate et al., 2012), ERs self-perception of competences resulted in two factors; 'hard' (e.g. business knowledge), and 'soft' skills (e.g. communication). This raises interesting questions about perceptions of expertise power in negotiations and conflict management, comparing self-perceived competence – in terms of Bandura's theory of self-efficacy (1977) – to the perception by the counterpart, as well as the type of assessments made.

HR managers expressed the utmost importance of competent ERs: "ERs need to understand the dynamics of the organizations, finance and change management"; "We need highly competent people on the other side of the table". Our study shows there is a general concern towards the lack of competences of ERs, as expressed by relative low scores. This lack of competences is reflected in quotes such as: "The worst is, when ERs are incompetent and rigid". HR-managers suggested specific trainings for ERs regarding problem solving, leadership skills, ability to influence, negotiation skills, communication skills, general business knowledge, creative sense, sense of responsibility, and initiative. HR-directors also explicitly make the connection between ERs' competences and influence, expressing they tend to minimize their involvement when they perceive lack of competences. Noteworthy, most interviewed HR directors do appreciate competent counterparts, and value the system of elected ERs as a model of participative decision-making.

2. Conglomerate conflict behavior contributes to influence on decision making

The current study shows that both competitive and cooperative behaviors contribute positively to ERs influence on decision-making, when these behaviors are taken into account simultaneously. It is worth noticing that this is the perception of management, being the counterpart in the decision-making. Even ERs' counterpart perceives that both behaviors are contributing to the influence of ERs. This finding confirms the theory of conglomerate conflict behavior (Munduate et al., 1999; Van de Vliert et al., 1995). Cooperative and competitive conflict behavior do not necessarily exclude one another. In organizational decision-making, issues are usually complex, with a diversity of interests at the table. A combination of cooperation and competition appears to contribute most to the influence of ERs. The older dichotomy of competitive or cooperative behavior doesn't fit well to these types of situations. It is noteworthy that competitive and cooperative conflict behaviors by ERs are negatively related in the perception of HR-directors. A previous study among ERs in Europe showed a strong positive relation between forcing and integrating, when ERs reported their own conflict behavior (Elgoibar, 2013). Promoting a combination of cooperative and competitive behaviors when dealing with conflict is a complex challenge, as competitive behavior is usually impacting the perceived competence in a negative way, as we will discuss below.

3. Perceived competences are related with ER conflict behavior

To the best of our knowledge our study is the first study among HR-directors or management to assess competences and conflict behavior by ERs. As expected, the perceptions of competences of ERs are positively related to cooperative conflict behavior by ERs and negatively related to competitive behavior. For HR-manager's competence of ERs is strongly related with cooperative behavior. These outcomes underscore previous studies on perceived

competence in conflict management. For instance, Gross et al (2000; 2004) showed that perceived competence by counterparts is related to cooperative, problem solving behaviors, while the counterpart sees forcing behavior as incompetent.

In our study, we observed a paradox. Management recognizes that competitive conflict behavior is beneficial for ERs as it increases their influence. Yet, they see competence as negatively related with this competitive conflict behavior of ERs. This outcome reflects a structural problem in involving employees – and particularly ERs – in organizational decision-making. Involving employees neither imply that employees will agree with the views of management, nor accept their proposals and ideas. By having competent representatives, management will have to face the challenge that this implies 'constructive controversy' (Tjosvold, Wong, & Feng Chen, 2014), including competing behavior by representatives who argue and fight for their own views and interests. Although management does recognize this need, it also appears to be ambivalent about it.

4. Conflict issues matter

We tested the relationships between competences, conflict behavior and influence, both for innovative and traditional issues. First of all, it should be noted that influence in decision-making does differ depending on the issues at stake. Our study shows somewhat more influence of ERs on innovative issues, compared to traditional issues. However, for both types of issues perceived competences are key to gain influence, and also cooperative as well as competitive behavior are related. Competitive behavior seems to be more related to influence on traditional issues, whereas cooperative behavior seems to be more related to influence on innovative issues.

An explanation for this result might be found in the distinction between integration and distribution as parts of negotiation (Lax & Sebenius, 1986; Neale & Bazerman, 1992;

Sebenius, 2015). Integration is defined as: "The enlargement of the pie of available resources"; and distribution as: "The claiming of the pie" (Neale & Bazerman, 1992, p. 170). An explanation for the observed differences between the two types of issues might be that traditional issues also are often more distributive in nature, while innovative issues have more integrative potential. Gaining influence in the decision-making for distributive issues might require more competitive behavior in addition to cooperative behavior (Euwema et al., 2003; Lax & Sebenius, 1992).

5. Conglomerate conflict behavior mediates the relation of competences and influence

Perceived competence is related with influence, and this relation is partly mediated by conglomerate conflict behavior. A clear mediation effect was observed of influence on innovative issues but not on traditional issues. This is most likely due to a 'net-suppression effect', as the mediation through cooperative behavior is 'compensated' by the mediation through competitive behavior. This result might be interpreted in line with our previous reflection on the differences between traditional and innovative issues. Here also, the tension between cooperative and competitive behavior becomes visible. For HR-directors, it seems sometimes difficult to appreciate this conglomerate conflict behavior by ERs, as they perceive only cooperative behavior as competent. However, ERs face a constant tension between the interests of the organization and those of its employees (Parker & Slaughter, 1988; Van der Brempt, 2014). By engaging into a partnership with management too strongly, ERs risk losing legitimacy with their colleagues (Rolfsen, 2011). According to Rolfsen, the relationship needs to be at least a little controversial. Jenkins (2007) also described an exclusive cooperative relationship between ERs and management as being a risk. Hereby ERs may lose their main focus as being representatives of employees' interests. A combination of cooperation and competition may be the most beneficial for both management and ERs (Huzzard & Nilson, 2004). Competent ERs therefore should be able to combine highly cooperative behaviors with competitive conflict behavior. In the words of one of the interviewed HR directors: "Our ERs are highly competent. We respect each other's role. We both know when we have to fight in a conflict, and we know how to end it."

6. Representatives acting in decision making

The current study focused on officially elected ERs in European organizations. This evidently is a limited selection of representatives in organizational decision-making situations. For example, in schools and universities, all kinds of boards and committees meet to decide on issues related to education and student policies (Klemenčič, 2014; Kretchmar, 2014; Lizzio & Wilson, 2009), and representatives of different fractions meet to organize their policies. These actors are typically taking representative roles. The focal point and outcomes of the current study offer a challenging starting point to test the relationships in such contexts as well. For example, the balance between cooperative and competitive behaviors by student representatives in universities has taken many different shapes. Positional and personal power related to perceived competences of these representatives could give an interesting framework to test the importance of conflict behaviors in relation to influence in different types of conflictive issues.

Practical implications

Recruiting, selecting and electing competent ERs. First and foremost, competences of ERs are recognized as essential to gain influence on decision-making, both by HR-directors in this study, as well as by ERs themselves (Munduate et al., 2012). Therefore, investing in competences of ERs seems the logical step to take. However, this is less obvious than it seems. ERs are elected, and a variety of factors influence employees to run as candidate and get elected. ERs may have quite different motives, knowledge and attitudes, and surely are not

a homogeneous and cohesive group (Van der Brempt, 2014). The main challenge for current works councils therefore is the recruitment, selection and election of highly competent employees for the role as ERs. Secondly, it is essential to form a shared vision as ERs, and use the diversity in competences to act as a cohesive and competent team (Euwema et al., 2015). A continuous development of competences within the team will boost ER's expert power (French & Raven, 1959). This is particularly needed, given the changing environment most organizations face (Martinez Lucio, 2016). Developing competences as power source contributes to constructive conflict management and cooperative relations. When ERs lack such competences they will more easily rely on their positional power, which results in more antagonistic relations with management.

Training and development. Investing in competence development is certainly important. However, our study draws attention to the perception of competences by the employer. Perceptions are by definition biased, and this certainly is true for agentic relations in a conflictual relationship. Competences need to be recognized and valued as such, and our study indicates that, for example, management does not value competitive conflict skills of ERs. So, investing in recognition of competences is essential to develop also reference power of ERs. Traditionally, development of competences by ERs is done by unions, and management is not involved. However, recently there are experiments that also involve experts and senior management to educate works councils and ERs. Sometimes works councils even train together with management (Nauta, 2015).

Educating management. So far, the focus has been on what ERs can contribute to gain influence in decision-making. However, HR-directors and managers indicate they appreciate competent and strong representatives at the table. However, many of them define this as only cooperative. Educating management in the dualities and possibilities of a strong employee

representation surely can contribute, not only to more influence of ERs but also to more cooperative relations, thereby improving the quality of decision-making and implementation (Munduate & Medina, 2017). Nowadays management education often lacks information about social dialogue and the possible benefits of institutionalized forms of employee representation, collective rights, and the role specific behaviors, which are required to perform well in these agentic dynamics (Martinez-Lucio, 2006).

Limitations and future directions

First of all, our study is cross sectional, therefore no conclusions about causality can be drawn. Future research could contribute by doing longitudinal research on the dynamic relations between perceived competences, conflict behaviors and influence in decision-making. Secondly, in such studies, also multi-source data and multiple perspectives from ERs, management and constituencies, would be needed in order to better understand these dynamics. Thirdly, the context is important to take into account, as industrial relations are embedded in legal and cultural realities. The current study was conducted in 11 European countries. Results, however, were consistent over these countries and future studies could test if this also holds in other societies. Particularly for those with different traditions of indirect participation in organizational decision-making. Finally, the complex relation of perceived power and conflict behaviors, as suggested also by Anderson and Brion (2014), certainly needs more exploration, also in the context of industrial relations. This would allow to study under what conditions perceived power is inducing cooperative behaviors and competitive behaviors by representatives of both, management and employees.

General conclusion

Due to a changing environment, the relationship between management and ERs is at increasing risk of conflict. Both parties therefore benefit from developing competences and conflict management skills. This study demonstrates the complexity of the behavioral patterns resulting in influence for ERs; as the main challenge is being able to find the right balance between competitive and cooperative behaviors, and the effect of this balance on the diverse issues at stake. Employers as well as ERs will benefit from investing towards mastering these complex behaviors.

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Appendix 1

Scale items for Perceived competences. Munduate et al (2012).

To what extent do you believe that employee representatives are competent in?

Item 1. Human Resources Management

Item 2. Establishing and maintaining relationships with management

Item 3. Labor law

Item 4. Social skills

Item 5. Business and management

Item 6. Negotiation and conflict management

Item 7. Organizational change and business mergers

Item 8. Stress management

Item 9. Managing complex information (on strategy and change)

Likert scale from: 1=Very low, 2=Somewhat, 3=Reasonable, 4=Good, 5=Excellent