dti

EMPLOYMENT RELATIONS RESEARCH SERIES NO. 72

Embedding the provision of information and consultation in the workplace: a longitudinal analysis of employee outcomes in 1998 and 2004

ANNETTE COX, MICK MARCHINGTON AND JANE SUTER
UNIVERSITY OF MANCHESTER

WERS 2004 GRANTS FUND

EMPLOYMENT RELATIONS RESEARCH SERIES NO. 72

Embedding the provision of information and consultation in the workplace: a longitudinal analysis of employee outcomes in 1998 and 2004

ANNETTE COX, MICK MARCHINGTON
AND JANE SUTER
UNIVERSITY OF MANCHESTER

WERS 2004 GRANTS FUND

FEBRUARY 2007

About EMAR

Employment Market Analysis and Research (EMAR) is a multidisciplinary team of economists, social researchers and statisticians based in the Employment Relations Directorate of DTI.

Our role is to provide the evidence base for good policy making in employment relations, labour market and discrimination at work. We do this through:

- Conducting periodic socio-economic benchmark surveys.
- Commissioning external research projects and reports.
- Conducting in-house research and analysis.
- Assessing the regulatory impact of proposed employment law.
- Monitoring and evaluating of the impact of government policies

We publicly disseminate results of this research through the DTI Employment Relations Research Series and other publications. For further details of EMAR's work please see our web pages at:

http://www.dti.gov.uk/employment/research-evaluation

About this publication

The project managers for this report were Carmen Alpin, Principal Research Officer, and Harjinder Kaur, Research Officer, both in the Employment Market Analysis and Research branch.

Published in February 2007 by the Department of Trade and Industry.

URN 07/598
ISBN: 978-0-85605-682-6

This DTI publication can be ordered at: www.dti.gov.uk/publications Click the 'Browse by subject' button, then select 'Employment Relations Research'. Alternatively call the DTI Publications Orderline on 0845 015 0010 (+44 845 015 0010) and quote the URN, or email them at: publications@dti.gsi.gov.uk

Postal enquiries should be addressed to:

Employment Market Analysis and Research
Department of Trade and Industry
Bay 4100
1 Victoria Street
London SW1H 0ET
UNITED KINGDOM
Email enquiries should be addressed to: emar@dti.gov.uk

Foreword

The Department of Trade and Industry's aims are to create the conditions for business success, and help the UK respond to the challenge of globalisation. As part of that objective we want a dynamic labour market that provides full employment, adaptability and choice, underpinned by decent minimum standards. DTI want to encourage high performance workplaces that add value, foster innovation and offer employees skilled and well-paid jobs.

The Department has an ongoing research programme on employment relations and labour market issues, managed by the Employment Market Analysis and Research branch (EMAR).

This is the fourth of 14 reports commissioned by DTI under the Workplace Employment Relations Survey (WERS) 2004 Grants Fund. The Fund is a Department of Trade and Industry initiative to develop the evidence base in areas of policy interest, raise awareness of this survey and encourage advanced data analysis based on the WERS 2004 datasets.

A call for proposals was made in November 2005. Proposals were selected for their contribution to the evidence base and relevance to government policy. The EMAR branch and the Management, Leadership and Skills Unit administer the Fund. More details on the WERS 2004 Grants Fund can be found here:

http://www.dti.gov.uk/employment/research-evaluation/grants/wers

More details on the Workplace Employment Relations Survey are here:

http://www.dti.gov.uk/employment/research-evaluation/wers-2004

PDF versions of this report can be downloaded from the DTI website, and additional printed copies ordered from www.dti.gov.uk/publications

Please contact us at emar@dti.gov.uk if you wish to be added to our publication mailing list, or would like to receive regular email updates on EMAR's research, new publications and forthcoming events.

Grant Fitzner

Director, Employment Market Analysis and Research

Acknowledgements

The research reported here was funded by a grant from the Department of Trade and Industry's WERS Small Grants Fund. The authors acknowledge the Department of Trade and Industry, the Economic and Social Research Council, the Advisory, Conciliation and Arbitration Service and the Policy Studies Institute as the originators of the 2004 Workplace Employment Relations Survey and the UK Data Archive as its distributor. None of these organisations bears any responsibility for the authors' analysis and interpretations of the data.

The authors are very grateful to members of the DTI's EMAR team and participants at a seminar on 'Information and Consultation: The Evidence from WERS 2004' held on 24 July 2006 for comments on an earlier draft of this report and to Mary O'Brien for secretarial support.

Contents

List of tables

List of abbreviations

DTI	Department of Trade and Industry
EI	Employee Involvement
EIP	Employee Involvement and Participation
HR	Human Resource
HRM	Human Resource Management
ICE	Information and Consultation of Employees
JCC	Joint Consultative Committee
PSG	Problem Solving Group
SME	Small and Medium-sized Enterprise
TB	Team briefing
WERS	Workplace Employment/Employee Relations Survey

Executive summary

Based on an analysis of the Workplace Employment Relations Survey, this report finds strong positive links between the 'breadth' and 'depth' of some information and consultation practices and employee commitment. Employee ratings of the helpfulness of some consultation and communication methods are positively linked to job satisfaction and commitment. Employee ratings of managers' effectiveness in consulting employees and employees' satisfaction with their involvement in decision-making are also positively linked with job satisfaction and commitment, suggesting that the way in which information and consultation methods are implemented is just as important as the type of practices used.

Aims and objectives

There were three aims for this report. The first was to investigate change in the incidence and application of information and consultation methods between 1998 and 2004 in Great Britain.

The second was to establish whether the depth and breadth of information and consultation methods were linked to employee organisational commitment and job satisfaction.

The third was to conduct an analysis of the links between employees' perceptions of managers' effectiveness at consulting and listening to their views, satisfaction with involvement in decision-making and employees' commitment and job satisfaction.

Background

In recent years direct information and consultation methods (e.g. team briefings and meetings) have been growing in popularity while indirect methods (e.g. Joint Consultative Committees) have been declining. The recent introduction of the Information and Consultation of Employees (ICE) Regulations (2004) is considered in this report with respect to the relationship between direct and indirect information and consultation methods.

Much research has been done to investigate the links between the use of information and consultation methods and organisational performance (see, for example, Addison *et al*. 2000; Addison and Belfield 2001; Bryson 1999). Much less is known about the links between them and broader employee outcomes such as organisational commitment and job satisfaction. These may be important as part of the links in a chain by which information and consultation methods can ultimately influence organisational performance.

Incidence of information and consultation methods

The use of some direct forms of management-employee communications became increasingly widespread across continuing workplaces between 1998 and 2004. There were notable increases in the use of work group briefings, systematic use of the management chain or cascading of information, suggestion schemes, and regular meetings of the entire workforce. An increase was also found in the proportion of workplaces using team briefings, emails/intranet and other meetings. The use of other communication methods, including indirect forms of communication such as Joint Consultative Committees, remained stable.

Embeddedness of information and consultation

Overall, there was a fair amount of consistency in the 'depth' of information and consultation methods, as indicated by the frequency of JCC meetings, the methods of appointing employees to sit on JCCs, and the coverage of problem-solving groups, between 1998 and 2004.

The frequency of JCCs meetings remained fairly constant and election by employees continued to be the most common method of appointment to JCCs. There were, however, more instances of employees volunteering for the roles or being persuaded to 'volunteer' by others. The incidence of other groups such as unions or staff associations being involved in appointing representatives also increased.

The proportion of workplaces where *all* or *most* employees were involved in problem-solving groups declined whereas those involving *some* workers increased. The numbers of workplaces with no employees involved in problem-solving group also fell.

In terms of the 'breadth' of information and consultation methods, there was little change in the type of information provided by managers to employees between 1998 and 2004. Over half of continuing workplaces in 2004 provided information on investment plans, the financial position of the workplace and of the organisation, and staffing plans, a similar proportion than in 1998.

Embeddedness of information and consultation and employee outcomes

There were no links between any single information and consultation method and employee commitment or job satisfaction in workplaces with 25 or more employees in 2004. However, significant and positive links were found between the 'breadth' of information and consultation methods (the number of different practices used together in a workplace) and the 'depth' of *direct* communication methods and employee commitment.

No links were found between the breadth of information and consultation methods and the depth of *direct* communication methods,

and job satisfaction. A negative association was found between the depth of *indirect* communication methods and job satisfaction.

Employee perceptions of information and consultation and employee outcomes

Employee perceptions of the helpfulness of most methods of keeping informed about the workplace were positively linked to employee job satisfaction and commitment in workplaces with 25 or more employees.

For workplaces with 10 to 24 employees, positive significant links were found between employee perceptions of the helpfulness of noticeboards and meetings, and organisational commitment and job satisfaction.

Very strong positive links were found between employee perceptions of managers' effectiveness in consulting employees, employees' satisfaction with their involvement in decision-making, and job satisfaction and organisational commitment for both small and larger workplaces.

Policy and research implications

The results suggest that the way in which information and consultation methods are implemented is just as important as the type of practices used. Finding ways to stimulate management capability and willingness to engage in participative decision-making is worthy of further research and policy attention. More understanding is required of the nature on information and consultation in smaller workplaces.

About this project

This research was carried out as part of the Department of Trade and Industry's employment relations research programme, and was funded under the WERS 2004 Grants Fund. Further details on the Fund can be found here:

http://www.dti.gov.uk/employment/research-evaluation/grants/wers

The research reported in this report is based on secondary analysis of the 2004 Workplace Employment Relations Survey (WERS). It contains four linked surveys, of which three were used in this research. The first was the cross-section survey of managers, in which data were collected using face-to-face interviews with 2,295 managers responsible for employment relations. The second was the survey of employees, in which over 22,000 questionnaires were returned by employees. The third was the 1998-2004 panel survey, in which data were collected using face-to-face interviews with 938 managers. The panel survey is constructed by revisiting a sample of the workplaces that took part in the previous cross-section survey.

About the authors

Annette Cox is Lecturer in Human Resource Management at Manchester Business School. Mick Marchington is Professor of Human Resource Management at Manchester Business School. Jane Suter is a Research Assistant and doctoral student at Manchester Business School.

About WERS 2004

The Workplace Employment Relations Survey (WERS 2004) is a nationally representative survey of British workplaces employing five or more employees and covering all sectors of the economy except agriculture, fishing, mining and quarrying. More information on the survey can be found here:

http://www.dti.gov.uk/employment/research-evaluation/wers-2004/

The survey is jointly sponsored by the Department of Trade and Industry, the Advisory Conciliation and Arbitration Service (Acas), the Economic and Social Research Council and the Policy Studies Institute. It follows in the acclaimed footsteps of earlier surveys conducted in 1980, 1984, 1990 and 1998.

For further information please refer to the main published outputs from WERS 2004: the first findings booklet (Kersley *et al*, 2005), a report on small and medium-sized enterprises (Forth *et al*, 2006), and the 400-page sourcebook of detailed findings (Kersley *et al*, 2006). The sourcebook is published by Routledge, while the first two reports are available free from DTI: http://www.dti.gov.uk/publications Please quote the URN when ordering.

The data from WERS 2004 is now available to users through the UK Data Archive (study number: 5294): http://www.data-archive.ac.uk

1

Introduction

Context and scope of this report

There has been a longstanding interest in how the techniques associated with informing and consulting employees in the workplace under the umbrella term of 'Employee Involvement and Participation' (EIP) can improve employee experiences of work and organisational performance. EIP takes many forms. It can include:

- Downward communication from managers to employees through methods such as newsletters, email and noticeboards
- Direct two-way communication between management and employees in meetings and team briefings
- Direct upward feedback from employees through participation in problem-solving groups and attitude surveys
- Indirect or representative participation in workplace committees

In recent years direct EIP and communication methods in particular have been growing in popularity while indirect EIP practices have been declining (Kersley *et al.*, 2006: 139).

Much research has been done to investigate links between the use of EIP and organisational performance (see, for example, Addison *et al.* 2000; Addison and Belfield 2001; Bryson 1999). EIP is often included as part of 'bundles' of high performance work practices which are thought to improve organisational performance. The Department of Trade and Industry's discussion paper on employee involvement in high performance workplaces outlines the role that information and consultation practices can play in contributing to organisational competitiveness (Department of Trade and Industry, 2002: 13-21). They can contribute to improved communication and understanding between managers and employees, reduced labour turnover and absence, improved productivity, innovation and capacity to manage change and respond to change.

Research has often focused on the relationship between EIP practices and organisational performance or treated employee satisfaction with EIP as an outcome in itself. Much less is known about the links between EIP and broader employee outcomes such as organisational commitment and job satisfaction. These outcomes may be important as part of the links in a chain by which EIP can ultimately influence organisational performance.

Instead of simply examining the absence or presence of particular EIP techniques, as some studies have done, it is also critically important to assess the nature and quality of these practices and the role of managers in implementing them. This is because employee experience of the way practices are implemented is likely to influence employee outcomes. This report aims to contribute to understanding of these aspects of EIP by undertaking an analysis of the Workplace Employment Relations Survey 2004, which contains a number of questions about the presence and quality of EIP practices, as well as employee perceptions and responses to them.

Structure of this report

The rest of this report is divided into four chapters. Chapter 2 explains the development, role and function of EIP. It examines the nature and quality as well as the presence or absence of EIP, and explores the impact of EIP through measures of its *breadth* and *depth* in the workplace. It considers the implementation of EIP through employee perceptions and the role of line managers.

Chapter 3 explains the measures of EIP used to conduct the analysis for the report. It outlines how indicators were developed for the types and nature of EIP practices, managers' implementation of these practices, employee perceptions of EIP, and employee job satisfaction and organisational commitment.

Chapter 4 presents the results of the statistical analysis. It reports on: (i) the extent of change and continuity in the type of EIP practices and how they are applied in 1998 and 2004; (ii) the links between the breadth and depth of EIP and organisational commitment and job satisfaction in 2004; (iii) whether the links found in earlier work (Cox *et al*. 2003, 2006) have varied over time; and (iv) the links between employee perceptions on EIP and employees' commitment and job satisfaction.

Chapter 5 considers the implications of the findings in the context of the recent introduction of legislation on information and consultation, and discussed the implications for future research.

2

Background and concepts

This chapter first defines the nature and types of information and consultation mechanisms under the wider term of 'employee involvement and participation' (EIP), and trends in its use are explored and discussed. Evidence on the impact and outcomes of EIP is discussed and the need to examine combinations and quality of EIP is argued. The concepts of EIP 'depth' and 'breadth' are introduced and the role of line managers in implementing EIP is discussed. Variations in EIP by workplace size are noted.

Trends in the incidence of Employee Involvement and Participation (EIP)

Information and consultation processes encompass a wide range of techniques (Marchington and Wilkinson 2005: 400). The term 'employee involvement and participation' (EIP) best captures the range of techniques and it is used from now on throughout this report. EIP takes several forms, ranging from direct EIP requiring the participation of each individual - for example in team briefings or problem-solving groups - to indirect or representative participation, for example through workplace committees. These types of EIP vary according to the level of influence they give to employees, the scope of the subject matter for discussion and the level in the organisation at which the mechanisms operate. The amount of influence employees have in decision-making in particular is regarded as important because it is likely to affect the degree of impact that EIP has on employee and broader organisational outcomes (see Marchington *et al*. 1992).

The popularity of different types of EIP practices has evolved significantly over time, reflecting the societal changes which shape their creation, longevity and, sometimes, decline. These changes include the growth and relative strength of the trade union movement, the political context and influential legislation arising from it.

Some commentators who have charted and sought to explain their use over time have argued that the use of information and consultation practices varies over time (Ramsay 1977; Marchington *et al*. 1992). These writers argue that managers are seen as key agents in the process. There is consensus that in the 1980s there was an increase in managerial interest in informing and consulting the workforce through direct rather than representative measures. The incidence of management-initiated 'employee involvement' techniques including

employee surveys, problem-solving groups and team briefings, rose significantly (Marchington 2005). The new interest in employee involvement was driven by the belief on the part of managers that harnessing employees' ideas and suggestions could improve organisational performance.

Evidence from the late 1990s and early 2000s tend to support this trend in EIP use. Longitudinal case study evidence shows the popularity of direct methods of communication but also some co-existence of representative and direct types of EIP methods (Marchington *et al*. 2001; Dundon *et al*. 2004). This may be because interest in collective forms of employee involvement and participation was renewed by the provision of statutory trade union recognition in the late 1990s. The concept of 'social partnership' also started to emerge in the UK based on the institutional contexts for industrial relations which are common in much of mainland Europe. However, Dundon *et al*. (2004) further supported the argument that managers' attempts to seek employees' views are most commonly undertaken for the purpose of improving organisational performance. This leads Marchington, reviewing contemporary practice, to assert:

'There is little doubt that employers are now the main drivers of participation, and schemes are therefore likely to be designed with their objectives in mind' (2005: 29).

Data from the WERS cross-section management surveys in 1998 and 2004 support this view. Table 1 shows that the proportion of workplaces using direct EIP continued to grow while there was a continuing decline in the use of Joint Consultative Committees (JCCs).

Table 1. Incidence of EIP practices, 1998 and 2004

	% workplaces	
	1998	**2004**
Systematic use of the management chain	52	64
Meetings with entire workforce or team briefings	85	91
Regular newsletters	40	45
Suggestion schemes	31	30
Problem solving groups	16	21
Joint Consultative Committees	20	14

Source: Kersley *et al*. (2006). Base: All workplaces with 10 or more employees. .Figures are weighted and based on responses from 2,178 managers in 1998 and 2,047 managers in 2004.

The `breadth' and `depth' of EIP

Traditionally, most studies of EIP have examined its nature, content and processes (e.g. Cotton 1993; Heller *et al*. 1998). Assessments of the *impact* of EIP have been rather less common, although recently there has been a growing number of publications using data from the 1998 Workplace Employee Relations Surveys (WERS 1998) to examine the impact of EIP on organisational performance (see, for example, Addison

et al. 2000; Addison and Belfield 2001; Bryson 1999; Moynihan *et al*. 2004).

Whilst research studying the impact of EIP is valuable, it has two weaknesses which this report seeks to overcome. First, with the exception of work by Bryson (2004) and Delbridge and Whitfield (2001) in particular, there is little attention given to the links between different forms of EIP, i.e. its *breadth* in the form of multiple complementary EIP practices. Bryson's (2004) contribution to this debate is particularly valuable because it begins to assess links between different forms of EIP. It analyses the effects of union, non-union and individual voice on employee perceptions of managers' responsiveness to them. His data reveals that EIP practices are associated with different employee attitudes depending on whether the techniques are used individually or in combination.

This report contributes to the knowledge on whether *combinations* of EIP have important links to employee outcomes by testing whether the *breadth* of EIP has links to job satisfaction and organisational commitment. EIP 'breadth' refers to the number of different EIP practices used together in a workplace. Using a range of complementary EIP practices may be important as single EIP practices are likely to have less impact than a number of practices operating together because they lack reinforcement. They can be more easily dismissed as 'bolted-on' or out of line with other HR practices, and not taken seriously by workers. In contrast, combinations of EIP may complement each other and provide opportunities for employees to be involved at work in different ways. For example, information received by employees from a team briefing may be useful when they are working in problem-solving groups.

Second, studies tend to measure EIP by the claimed absence or presence of EIP practices. This does not distinguish between whether those techniques are implemented and applied well or badly, or assess how meaningful they are to employees at workplace level. Case studies (Dundon *et al*. 2004) show that managerial claims to have implemented a practice do not necessarily mean that it is applied to all workers in an organisation or that it takes place on a frequent basis. Pressure of work, lack of management interest and cost can mean, for example, that consultation meetings take place less regularly than intended, employee ideas are not implemented and managers do not respond to employee concerns.

This report contributes to the knowledge on whether the quality of EIP practices in the way they are implemented has important links to employee outcomes by testing whether the *depth* of EIP has links to job satisfaction and organisational commitment. 'Depth' is an indicator of how embedded any single EIP practice is within the workplace. For example, two ways of measuring the depth of team briefings are assessing how frequently they take place and how much time is given to employees to ask questions and make comments. EIP depth is an

important indicator of how EIP practices are applied at the workplace, because the more frequent the meetings and the more that employees are directly involved in the process then the more embedded the practice is likely to be at workplace level. Conversely, without regular meetings to discuss views, issues may be forgotten and without opportunities for upward communication, employees' contributions may be marginal or trivial in nature.

The depth of EIP is important because practices with greater depth may have potentially stronger links with employee outcomes of job satisfaction and organisational commitment. If employee views are sought and acted upon by managers, employees are more likely to be committed to their organisation and satisfied with their work because they believe managers are sincere in their efforts to involve employees. In summary, greater EIP 'depth' increases the likelihood that EIP is taken seriously. They thus provide greater possibilities for EIP to make a difference to employee attitudes in terms of organisational commitment and job satisfaction.

Previous work by authors of this report (see Cox *et al*. 2006) showed significant links between the *breadth* of EIP and employees' organisational commitment and job satisfaction. Indeed, using multiple EIP practices had a much stronger link with employee perceptions than single practices alone.

The *depth* of EIP also had significant links to organisational commitment and job satisfaction. This shows that the more seriously EIP was practised – measured through frequency of meetings, proportion of staff covered by an EIP practice, or potential influence – the greater were levels of organisational commitment and job satisfaction. The depth of *direct* EIP practices, such as team briefings, had significant links to job satisfaction and organisational commitment. However, the depth of *indirect* EIP, assessed through the characteristics of JCCs, had no positive significant links.

This analysis was based on cross-sectional data. Repeating this analysis using the panel survey permits assessing the longevity of EIP practices and whether these findings are sustained over time.

Employees' commitment and job satisfaction

Research to date has tended to consider worker perceptions of EIP practices themselves rather than analyse the relationship between the experience of EIP and worker views on broader aspects of work and organisation (see Marchington *et al*. 1992; Cotton 1993; Bryson 2004). More generally, there has been a relatively limited amount of analysis on the relationship between EIP and organisational commitment and satisfaction. This seems surprising given that EIP is expected to have a positive impact upon employees and that employee perceptions, attitudes and behaviour are part of the causal chain of links between Human Resources Management (HRM) practices and organisational

performance. Managers and employees may also view EIP differently so in assessing the impact of EIP on employees, the use of management reports of how EIP is applied in practice may be insufficient. Purcell and Georgiadis (2006) argue that to seek direct links between EIP and performance outcomes is a mistake and that we should instead focus on the links between employee experience of different forms of EIP and their attitudes to work.

Tracing connections between employees' experiences of EIP and their commitment and job satisfaction may be a promising method to help improve the understanding of mechanisms through which the use of EIP can assist in improving organisational outcomes. Here, the report extends work by people such as Kessler *et al*. (2004) on links between EIP and employee perceptions. This report assesses whether any relationship can be found between (i) employee perceptions of EIP techniques, (ii) the way managers apply EIP principles and iii) employee satisfaction with involvement in decision-making, and employee outcomes of organisational commitment and job satisfaction. These concepts advance understanding of the links between EIP and employee and organisational performance.

Employee commitment may be amenable to influence by EIP practices in a variety of ways:

- Downward communication practices could be used to promote or instil organisational values.
- The improvement of product or service quality via EIP could increase employees' sense of pride in their work and thereby their employer.
- The compound benefits of EIP practices in terms of enhanced autonomy, greater understanding of managerial plans and opportunities to voice views about the organisation could enhance feelings of loyalty.

Values, pride and loyalty are all commonly used components of organisational commitment and are combined for use in the analysis for this report. Details of how organisational commitment is measured are given in Chapter 3.

Similarly, employee satisfaction may be influenced by EIP practices in the following ways:

- Giving employees the opportunity to improve work processes through problem-solving groups, for example, may enhance their perceptions of the amount of job influence they have and the sense of achievement they get from their work.
- Workplaces which provide employees with the chance to make suggestions through, for example, representative committees or attitude surveys and where managers take suggestions seriously and explain their responses to comments received are likely to

enhance employee perceptions of honest dealing and fair treatment by managers.

Amount of job influence, sense of achievement from work, honest dealing by managers and fair treatment by managers can contribute to job satisfaction and are used in the analysis for this report. Details of how job satisfaction is measured are given in Chapter 3.

However, seeking direct links between EIP and employee and organisational outcomes is problematic. Limitations in the concepts and methods used in this report must be acknowledged here. First, measuring the impact of HR practices on employee experience can be problematic. Intervening factors exist between employee and organisational performance and disentangling the effects of EIP from those of other HR practices can be difficult. There is also the possibility that employees who are highly committed to their organisation and highly satisfied with their jobs may view EIP practices and management more positively than employees with lower organisational commitment and job satisfaction. This is shown in work by Peccei *et al*. (2005) who found that the link between managers who share information and labour productivity sometimes depended upon levels of existing organisational commitment from employees.

Secondly, it is acknowledged that job satisfaction and organisational commitment can be conceptually unclear and difficult to measure. However, both concepts are useful because they measure important employee attitudes. Job satisfaction reflects 'the extent to which people like or dislike their jobs (global satisfaction) or aspects of their jobs (facet satisfaction)', while organisational commitment 'concerns the employee's attachment to the organisation' (Spector 1997: 236).

The role of line managers in 'formal' and 'informal' EIP

Employee experience of EIP may vary between departments within an organisation or establishment. This is because different line managers may not apply EIP in the same way. Recent research supports the argument that line managers are very important in implementing EIP and people management more generally. Purcell *et al*.'s work into the implementation of 'best practice' HRM has linked employee satisfaction with line managers with organisational performance outcomes (2003). Guest and Conway's work (2002) shows that, according to HR managers, different forms of EIP - in this case, communication from junior managers in particular - have a significant impact on the psychological contract held by employees. Sparrowe and Liden argue that the employee-line manager relationship is 'a lens through which the entire work experience is viewed' (1997:523).

However, line managers are often viewed as a weak link in the implementation of HR practices (Hutchinson and Purcell 2003: 28-29; Cunningham and Hyman 1999). A large volume of literature exists to explain why managers may not implement HR practices - and

specifically EIP practices - as intended by senior management for reasons of shortage of time, competing priorities and lack of intrinsic and extrinsic motivation to do so (see Marchington 2001; McGovern *et al*. 1997). So what might line managers' roles be in the implementation of EIP?

Line managers' role in implementing formal EIP practices

Due to the growth of direct EIP techniques, it can be argued that the line management role is gaining increasing prominence in the application of formal EIP practices. Formal EIP practices are initiatives or techniques which are intended to be implemented across a workplace as part of a deliberate policy instigated by senior managers. Trends in the use of EIP techniques discussed earlier show growth in direct communication and involvement methods and some evidence of continued decline in indirect, representative forms of EIP.

Direct EIP techniques such as team briefing and cascading information, which are among some of the most popular according to the WERS surveys, rely heavily upon line managers for their operation. EIP techniques are sometimes treated as optional extras or 'bolt on' mechanisms which are less important than other elements of HRM, so one could argue that compared to making essential decisions over allocating pay or recruiting and disciplining employees, line managers have significant discretion in whether or not to implement EIP techniques. Line managers may or may not be thorough and sincere in conducting team briefings regularly, giving employees opportunities to ask questions, providing answers to them and ensuring that employees understand the nature of financial information, productivity and performance data given by management.

Furthermore, Liden *et al*. (2004) argue that line managers play a very important role in managing employee expectations about EIP through the induction and socialisation process. The purpose of induction is not solely to ensure that employees understand the content of their job description. It also initiates them into group cultures, introduces them to contacts within line managers' own social networks within the organisation and shapes their understanding of the cultural norms and values of the workplace. This means that even where EIP practices (such as Joint Consultative Committees, attitude surveys and suggestion schemes) are beyond the immediate control of line managers, the importance which line managers give them is significant. The degree to which line managers' encourage or discourage employees' participation in EIP will help to shape employees' perceptions of the importance attached to EIP in the workplace or organisation and also the extent to which they will feel interested in and/or obliged to get involved in formal EIP practices.

Line managers' role in implementing 'informal' EIP

In addition to ensuring employee commitment to participation in formal EIP structures, line managers are also responsible for the practice of informal EIP. The practices reviewed so far in this report are contained within formal structures, initiatives or programmes, but Strauss (1998:16) notes that 'informal participation differs from its formal counterpart in that there are no explicit mechanisms involved'. Instead, informal participation can be characterised as a product of management style or a particular set of leadership behaviours. This concerns whether or not a manager actively seeks and responds to the views of employees and makes appropriate use of delegation when taking decisions about workplace matters.

Involving employees in decision-making could take place within or outside the remit of formal EIP so there is an overlap between the two dimensions. Line managers may choose to consult employees about the introduction of a new work practice during a team briefing or in a less formal setting, such as during rest breaks or even outside the workplace.

There is much less research attention given to informal EIP (Suter 2003), although it may be more significant than formal practices in its impact on workers. This is because the agenda is more likely to be controlled by the line manager and employees and therefore be relevant to immediate concerns of the group. Informal EIP is not, by its nature, amenable to measurement through presence or absence of particular schemes. However, the analysis for this report begins to assess whether any links exist between employee perceptions of the way in which managers implement formal and/or informal EIP and employee job satisfaction/organisational commitment.

The WERS 2004 employee survey permits analysis of whether employees believe that managers are good at seeking their views and responding to employee suggestions. This helps to capture whether managers are implementing EIP sincerely or simply 'going through the motions'.

If line managers have a role to play in implementing formal and informal EIP, and these forms of EIP overlap, this raises the question of what the relationship is between each type and whether one or the other has stronger links with employee outcomes. In other words, do formal and informal EIP co-exist and benefit each other in the same workplace and which, if any, is the more important foundation? Strauss (1998) argues that a pre-existing culture of informal EIP is likely to be helpful for the introduction of formal EIP practices. However, formal EIP could be argued to provide the structures and processes that provide guidance and inspiration for informal EIP. Whether informal practices can exist without the support of formal structures is therefore questionable.

Recent research evidence suggests that neither effective line managers nor sophisticated HRM/EIP practices may be sufficient to yield improved performance by themselves (Purcell and Hutchinson, 2007). They argue

that the relationship between line managers and HR practices is 'symbiotic'. While deficiencies in HRM can be overcome by good line managers who are able to cover up the gaps, they will find it easier if there are good policies, frameworks and structures to work with. On the other hand, the literature discussed earlier shows that good HR policies and practices may be doomed if line managers are unwilling or unable to execute them. The analysis for this report checks to see if there are positive combined effects of informal and formal EIP.

Variations in EIP by workplaces size

The degree of EIP formality or informality is likely to vary between workplaces, and in particular between workplaces (and organisations) of different sizes. Previous analyses in the WERS series have shown that there were systematic differences in people management practices between larger and smaller organisations. In general, small and medium-sized enterprises (SMEs), usually defined as ones which employ fewer than 250 people (DTI 2001), are less likely to adopt formal HRM policies and practices, although researchers in this area stress the importance of the particular contexts, product market and ownership of small companies (Edwards *et al*. 2003). Indeed, analysts of the WERS 1998 survey identified a number of differences between the employment policies and practices of truly independent SMEs and those which were part of a larger organisation (Cully *et al*. 1999b).

Concerning EIP, Cully *et al*. (1999b) reported that lower proportions of small workplaces claimed to use suggestion schemes, problem solving groups, attitude surveys (p.68) and JCCs (p.267). This led Cully *et al*. (1999b) to conclude that in small organisations there was a 'relative lack of formal mechanisms for indirectly or directly consulting with the workforce' (p.27). Similar results were found using WERS 2004 (Forth *et al*, 2006: 56).

This should not be interpreted, however, as indicating that employees in small firms receive less information than those in larger organisations. Kaur's analysis of the British Social Attitudes Survey data shows that employees in organisations with fewer than 100 workers were consistently more likely than those in large companies to believe that people in the workplace were well informed (2004:29). Information sharing and consultation may still take place in SMEs but this may be more likely through informal means. Forth *et al*., (2006: 56) also concluded that employees in smaller firms tended to be more content with the amount of information received. Without formal EIP mechanisms, informal EIP is likely to take on an added significance in SMEs and the quality of day-to-day relationships between managers and employees will be very important.

This means that in evaluating EIP in such contexts, it is important to be particularly attentive to employee perceptions of management attitudes and behaviour. The analysis for this report does this by providing separate results for employee ratings of the helpfulness of different EIP techniques and the way in which managers implement them by size of workplace.

3

Data and methods

The Workplace Employment Relations Survey 2004

The WERS 2004 survey is the fifth in a series of nationally representative surveys which have examined employment relations in Great Britain since 1980. It is sponsored by the Department of Trade and Industry, the Economic and Social Research Council, the Advisory, Conciliation and Arbitration Service and the Policy Studies Institute. It contains four linked surveys, of which three were used in the analysis for this report. The first is the Management Cross-section Survey which is based on face-to-face interviews. The second is the Survey of Employees Questionnaire which is based on a self-completion questionnaire. The third is the 1998-2004 Panel Survey, based on face-to-face interviews with a sample of management respondents from workplaces who took part in the 1998 main management survey.

A total of 2,295 managers in workplaces with 5 or more employees took part in the 2004 Management Cross-Section Survey, giving a response rate of 64 per cent; 22,451 employee questionnaires were returned, representing a response rate of 61 per cent in the 76 per cent of workplaces where employee questionnaires were distributed. For the panel survey, interviews with 938 managers were completed, representing a response rate of 75 per cent (Kersley *et al*. 2006).

There are some differences between the 1998 and 2004 questionnaires in terms of content and question wording. Comparability in the treatment of the data in order to be able to make comparisons with earlier work (Cox *et al*. 2003, 2006) has been sought where possible but refinements and improvements to the survey in 2004 have inevitably led to some modifications in the analysis. These are explained where relevant in the text below. The main difference between the 1998 and 2004 surveys is the lowering of minimum employee numbers to qualify for eligibility for participation in the cross-section surveys from ten to five employees. In order to preserve data comparability, when analysing the 2004 survey, the 1998 cut-off point of establishments with a minimum of 10 employees was applied.

Management data on EIP practices

When using the WERS panel survey to assess continuity and change in the incidence of EIP, a wide range of questions were used in seeking to encompass the broadest possible variety of EIP techniques. These included:

- Briefings at work group, department and workplace level
- Systematic use of the management chain/cascade
- Suggestion schemes
- Problem solving groups/quality circles
- Newsletters
- Email/intranet
- Noticeboards
- JCCs at workplace level or above and
- Any other meetings or forms of written or personal communication

In selecting EIP measures from the cross-section management survey to investigate the *breadth* of EIP, a range of questions were identified which tapped into the variety of EIP practices deployed across establishments. The number of practices used at each workplace provided a measure of the breadth of EIP. These were selected because they incorporated direct and indirect EIP, individual and group-based methods, and upward and downward communications. They were:

- JCCs
- Formal employee surveys
- Team briefings
- Problem-solving groups
- The provision of information about finance, investment and staffing

An index was constructed by adding the scores for each EIP practice as shown in Appendix A.

Table 2 shows the question topics chosen from the WERS cross-section management survey for analysing EIP *depth* and the reasons for their selection. An overall depth index was constructed by adding the scores for each practice as shown in Appendix A. In addition, two separate depth indexes were developed for *direct* and *indirect* forms of EIP, by adding the individual scores of the four measures related to direct EIP (as indicated in Table 2) and those of the two measures related to indirect EIP respectively.

Table 2. EIP depth measures and reasons for their selection

Indicator	Type	Reason for selection
Proportion of employees participating in problem-solving groups	Direct	Can reflect management commitment to involving as many people as possible in EIP and employee interest in taking part
Amount of time allocated to employee questions during team briefings	Direct	Reflects management willingness to give employees opportunities to clarify their understanding of information received and to hear employee views. May also indicate degree of employee willingness to voice their opinions and their levels of trust in management
Frequency of team briefings	Direct	Greater frequency may indicate greater importance of the groups, less frequent use may indicate waning interest in them or use for considering less urgent priorities
Permanence of problem-solving groups	Direct	Indicates commitment to sustaining EIP over time and perceived utility to management
Method of selecting employee representatives for JCCs	Indirect	Management willingness to let employees choose their own representatives indicative of commitment to fairness and efforts to build trust
Frequency of JCC meetings	Indirect	Greater frequency may indicate greater importance of the JCC, less frequent use may indicate waning interest in it or use for considering less urgent priorities

Employee data on perceptions of EIP

The 2004 employee survey was used to analyse employee perceptions of EIP. Measures were derived from employees' responses to questions about the usefulness of six types of information and consultation processes and their views on managers' success at implementing consultation.

Employee ratings on the usefulness of the following information and consultation methods were considered:

- Noticeboards
- Email
- Intranet
- Newsletters
- Union/employee reps and
- Meetings between managers and employees

Employee evaluations of managers' success at implementing consultation processes were assessed through the following employee perceptions:

- How good managers were at seeking the view of employees or employee representatives
- How good managers were at responding to suggestions from employees
- How satisfied employees were with their level of involvement in decision-making

These questions represent a progressively greater degree of employee involvement (Marchington *et al*. 1992). They also complement management reports by giving employee perspectives on management attempts to put EIP into practice. It is important to note that the WERS employee survey does not specify the seniority of management that employees should rate, so employees may rate line and/or more senior managers in making their responses. Neither does the survey specify what, if any kind of structure, mechanism or practice managers should be using to seek employee views, respond to their suggestions or generally involve them in decision-making. In this way, the analysis is potentially able to gauge employee perceptions of both formal and/or informal EIP methods. The full list of employee perception measures of EIP and their scoring is shown in Appendix A.

Measures of organisational commitment and job satisfaction

WERS data on employee perceptions of their work is collected through a self-completion questionnaire. These data were used to develop measures of organisational commitment and job satisfaction and largely reproduce the measures used in Cox *et al*. (2006). Other possible outcomes of EIP have been examined by other authors (e.g. Ramsay *et al*. 2000). It is common to assess EIP impact solely by reference to employee views of the EIP practices *themselves* (see, for example, Delbridge and Whitfield 2001). However, this does not address any links with employee perceptions of the difference EIP makes to their *experience of work*. Accordingly, selected measures reflect employee views of the organisation, because the purpose of the analysis is to assess broader links between EIP and employee perceptions of their workplace.

It is not possible to measure organisational commitment and job satisfaction directly, so measures of these concepts drawing on responses to questions from the employee survey were developed. In contrast to sophisticated approaches to measure job satisfaction (see Spector 1997 for a discussion on this) and organisational commitment (see Meyer and Allen 1997), measures used were simple and limited, due to constraints to the length of the WERS questionnaire. Given also the influence of external factors on measures such as loyalty, which may be affected by the availability of alternative employment, the measures are not perfect but they do offer useful indicators of employee perceptions. The precise questions and coding used can be found in Appendix A.

The organisational commitment measure is identical to the one used in Cox *et al*. (2006). It uses the WERS questions identified by Ramsay *et al*. (2000) to develop a commitment scale based on the simple addition of the scores for the following questions:

- The extent to which employees shared organisational values
- The extent to which employees felt loyal to the organisation and

- The extent to which employees were proud of their employing organisation

The job satisfaction scale was constructed in a similar way but due to changes in question design, placement and wording between the 1998 and 2004 surveys, it was necessary to modify the scale used for analysis in this report.

In Cox *et al*. (2006) the job satisfaction scale was created by adding up scores to the following questions:

- The amount of influence employees had on their job
- The sense of achievement employees got from their work
- Employee perceptions of fairness of managerial treatment of workers and,
- The respect employees got from supervisors/line managers

However, the 2004 survey did not include the latter question, so the following question was used instead, alongside the first three to form an additive index:

- Employee perceptions of whether managers at the workplace dealt with employees honestly

Control variables

Employee perceptions of their work and workplace might be influenced by factors other than EIP. These have to be included within statistical models to provide the most complete explanation for employee perceptions. All analyses included the same set of background factors. These cover the same types of HR practices, structural characteristics and individual demographic factors as those used in other analyses of WERS, such as by Delbridge and Whitfield (2001:479) and Bryson (2004:221-24).

The organisational-level background factors included were: number of people employed at the establishment, age of establishment, use of internal recruiting, use of shift work, industry sector and ownership status. The individual-level control variables were: years of working experience, whether on a temporary or permanent contract, union membership, gender, level of education, ethnicity, working hours, whether employee had supervisory responsibilities, and earnings per week.

The background factors used within Cox *et al*. (2003, 2006) were modified in the following ways. In the earlier papers, the number of hours worked per week excluded overtime but here overtime is included in the calculation. An alternative measure for occupational grouping was adopted: whether the respondent supervised other employees.

4

EIP and employee outcomes

Introduction

The first section of this chapter illustrates the extent of change and continuity in the types of EIP practices used in 1998 and 2004 and their distinctive features. The second part of the chapter presents evidence on the links between the *breadth* and *depth* of EIP practices and employee job satisfaction and organisational commitment. The third part of the chapter assesses the presence of links between employee perceptions of the helpfulness of EIP techniques, their satisfaction with involvement in decision-making, their ratings of management effectiveness in consultation and job satisfaction/organisational commitment.

Incidence of EIP in 1998 and 2004

Table 3 shows overall growth in the number of workplaces using EIP for the majority of techniques assessed in WERS. Increases in the use of work group briefings, systematic use of the management chain/cascading information systems, suggestion schemes and regular meetings of the entire workforce were particularly marked. An increase was also found in the proportion of workplaces using team briefings, emails/intranet and other meetings. The use of other communication methods, including Joint Consultative Committees, remained stable. Overall, this indicates a growth in the popularity of management-employee communications.

The drop in the proportion of workplaces which used no EIP practices suggests that workplaces with no previous history of using EIP have started to adopt the techniques since 1998. This suggests that the use of some forms of EIP is becomingly increasingly widespread across workplaces.

Table 3. Incidence of EIP in continuing establishments, 1998 and 2004

	% continuing workplaces	
EIP practice	***1998***	***2004***
Regular meetings with the entire workforce present	42	56*
Team briefings for any section or sections of the workforce	87	92*
Work group briefings	47	60**
Departmental briefings	24	28
Workplace briefings	54	57
Systematic use of management chain/cascading information system	53	69**
Suggestion schemes	22	31*
Problem-solving group/quality circle	35	42
Regular newsletters distributed to all employees	43	44
Emails/intranet	1	7**
Noticeboards	3	4
Other individual personal communication	8	5
Other written communication	4	3
Other meetings	3	6*
Joint Consultative Committee (JCC)	23	27
None of these	17	9*

Source: 1998-2004 WERS Panel Survey. Base: All workplaces with 10 or more employees. Figures are weighted and based on responses from at least 935 managers. Notes: ** significant at 1% level, * significant at 5% level.

Implementation of EIP in 1998 and 2004

Chapter 2 showed that there are problems in measuring solely the presence or absence of EIP practices without capturing the quality of those practices in operation. The WERS panel survey is shorter than the main management cross-section questionnaire so the amount of information on the characteristics of the EIP practices is limited. However, information on the following characteristics of EIP techniques, indicative of their depth and breadth, is available:

- Frequency of JCC meetings
- How employee representatives are selected to sit on JCCs
- Proportion of employees covered by problem solving groups, and
- Provision of information about finance, investment and staffing

Tables 4 to 7 report the findings concerning change and continuity in these characteristics of EIP practices between1998 and 2004.

Table 4 shows that within continuing workplaces, the most popular frequency of meetings for JCCs that deal with the widest range of issues remained every one to three months. JCCs that met every one to two weeks or even more frequently in 1998 decreased the frequency of their meetings by 2004. The incidence of JCCs meeting fortnightly or monthly increased between 1998 and 2004. Overall this data gives a broad impression of relative stability in the frequency of JCC meetings.

Table 4. Frequency of JCC meetings, 1998 and 2004

	% continuing workplaces	
Number of times the JCC that deals with widest range of issues has met over the last 12 months:	***1998***	***2004***
Less than every three months	15	14
Every one to every three months	45	49
Every two weeks to every month	27	37
Every one to every two weeks	3	0
At least once a week	10	0

Source: 1998-2004 WERS Panel Survey. Base: All workplaces with 10 or more employees. Figures are weighted and based on responses from at least 386 managers.

Table 5 shows the popularity of different methods of appointing employees as JCC representatives. This can provide an indication of how genuinely representative they are of worker views and potentially of worker interest in and commitment to the practice. Table 5 shows that the most frequent method of appointment remained election by employees. The incidence of worker representatives on JCCs being chosen by unions or staff associations increased since 1998. This suggests that the majority of worker representatives on JCCs are independent of management. This might indicate a change in the character of JCCs to a more independent role with less managerial influence over their members due to the increased presence of worker representatives appointed by union or staff associations.

The proportion of employees volunteering for the role or being volunteered by others also increased. The nature of 'volunteering' is not clear however. Employees could volunteer themselves as representatives or be persuaded to 'volunteer' by other people in the organisation.

Table 6 shows a mixed picture of changes in the coverage of problem-solving groups and quality circles among continuing workplaces. A quality circle is a group of employees with or without managers present who meet together during working hours to discuss how to improve product and/or service quality. There was a relatively even distribution in 2004 across all but the lowest levels of participation. It is notable that

Table 5. Methods of appointing employee representatives to JCCs, 1998 and 2004

	% continuing workplaces	
Method of appointment to the JCC that deals with widest range of issues:	***1998***	***2004***
Elected by employees	46	44
Appointed by management	23	20
Chosen by union or staff association	14	23
Volunteered	17	26
All employees involved are invited	1	n/a
Other	13	7

Source: 1998-2004 WERS Panel Survey. Base: All workplaces with 10 or more employees. Figures are weighted and based on responses from at least 383 managers.

the proportion of workplaces where all employees were involved declined, but the proportion of workplaces with problem solving groups and quality circles where no employees took part also dropped markedly. This gives some indication that where the activity of problem-solving groups or quality circles had been weak or limited, managers were making more concerted attempts to place them on a firmer footing by involving more of the workforce.

Table 6. Coverage of problem-solving groups and quality circles, 1998 and 2004

	% continuing workplaces	
Proportion of non-managerial employees involved over the past 12 months:	***1998***	***2004***
All (100%)	28	17
Almost all (80-99%)	5	14
Most (60-79%)	11	17
Around half (40-59%)	9	12
Some (20-39%)	24	23
Just a few (1-19%)	11	15
None (0%)	11	2

Source: 1998-2004 WERS Panel Survey. Base: All workplaces with 10 or more employees. Figures are weighted and based on responses from at least 428 managers.

Table 7 shows little change in the percentage of workplaces giving different kinds of information to the workforce between 1998 and 2004. Over half continue to provide each type of information with a slight decline in the proportions giving information on internal investment and the financial position of the establishment.

Table 7. Information-sharing in 1998 and 2004

	% continuing workplaces	
Type of information regularly given by management to employees or their representatives:	***1998***	***2004***
Internal investment plans	55	51
Financial position of the establishment	69	64
Financial position of the organisation	62	64
Staffing plans	63	63

Source: 1998-2004 WERS Panel Survey. Base: All workplaces with 10 or more employees. Figures are weighted and based on responses from at least 928 managers

Links between EIP breadth and depth and employee outcomes

The analysis showed no significant links between presence, depth or breadth of EIP practices and employee job satisfaction and commitment *in workplaces with fewer than 25 employees*. In Tables 8 to 10, only workplaces with 25 or more employees were included in the analysis, as this group was where some significant links between formal EIP and employee outcomes were found.

Table 8 shows the results from a series of tests to assess the link between single EIP practices and employee commitment and job satisfaction in 2004. Overall, the evidence shows no support for a link

between any single EIP practice and employee outcomes at a statistically significant level. These findings echo those in Cox *et al*. (2003, 2006).

Table 8. Presence of individual EIP practices and employee outcomes in 2004

	Commitment	Job Satisfaction
Team briefing (0=no; 1=yes)	0.049 [0.114]	-0.067 [0.152]
Problem-solving groups (0=no; 1=yes)	0.068 [0.073]	0.003 [0.082]
Survey (0=no; 1=yes)	-0.021 [0.078]	-0.036 [0.093]
Information re investment plans (0=no; 1=yes)	0.0136 [0.079]	0.0154 [0.095]
Information re financial situation of the establishment (0=no; 1=yes)	0.106 [0.097]	-0.058 [0.114]
Information re staffing (0=no; 1=yes)	0.002 [0.084]	0.054 [0.089]
JCC (0=no; 1=yes)	-0.088 [0.079]	-0.067 [0.152]

Source: WERS 2004 matched employer-employee data. Base (employees in workplaces with 25 or more employees): 16,359 (commitment), 16,190 (job satisfaction). All estimations are based on weighted data.
Notes: ** significant at 1% level, * significant at 5% level. Standard errors in brackets.

The results from Table 9 present a rather different picture. Here there are positive and significant links between the presence of combinations of EIP practices and organisational commitment. This link confirms that EIP *breadth* has much stronger links with employee commitment than any single EIP practice. Cox *et al*. (2006) found links between the breadth of EIP and job satisfaction in 1998, whereas here only the relationship with organisational commitment is significant.

Table 9. Breadth of EIP and employee outcomes in 2004

	Commitment	Job Satisfaction
EIP breadth index	**0.062 [0.025]	0.022 [0.029]

Source: WERS 2004 matched employer-employee data. Base (employees in workplaces with 25 or more employees): 16,359 (commitment), 16,190 (job satisfaction). All estimations are based on weighted data. Notes: ** significant at 1% level, * significant at 5% level. Standard errors in brackets. The breadth index is calculated as a sum of the scores for the seven EIP variables presented in Table 8. For further details on this index, refer to Appendix A.

Table 10 shows the results of tests for the links between the *depth* of EIP and employee outcomes. In contrast to the results found in Cox *et al*. (2003, 2006) for 1998, there were no statistically significant links between EIP depth and either organisational commitment or job satisfaction in 2004.

Table 10. Depth of EIP and employee outcomes in 2004

	Commitment	Job Satisfaction
EIP depth index	0.014 [0.012]	-0.025 [0.014]

Source: WERS 2004 matched employer-employee data. Base (employees in workplaces with 25 or more employees): 15,651 (commitment), 15,488 (job satisfaction). All estimations are based on weighted data. Notes: ** significant at 1% level, * significant at 5% level. Standard errors in brackets. The depth index is calculated using 6 measures covering both direct and representative participation. For further details on this index, refer to Appendix A.

In Cox *et al*. (2003, 2006) links between the depth of *direct* forms of EIP and employee outcomes were significant and positive, and those between the depth of *indirect* EIP practices and employee outcomes

were not. This analysis is now repeated. Table 11 shows the findings concerning the link between combined depth measures of *direct* EIP and employee outcomes. The following measures of depth of direct EIP, listed in Table 2 and described in Appendix A, were used:

- Frequency of team briefing
- Amount of air time (opportunities to ask questions and make comments) given to employees during team briefings
- Permanency of problem-solving groups and
- Proportion of employees participating in problem-solving groups

The findings show that the depth of *direct* EIP practices had a positive and significant relationship with organisational commitment in 2004. In contrast to the analysis undertaken using WERS 1998 (Cox *et al*. 2006), there was no significant positive relationship between the depth of direct EIP practices and job satisfaction.

Table 11 also shows that the depth of *indirect* EIP (the frequency of JCC meetings and the democracy of the election process for representatives) had a negative and strongly significant link with job satisfaction in 2004, whilst this relationship was not statistically significant using the WERS 1998 dataset (Cox *et al*, 2006).

Table 11. Depth of direct versus indirect EIP and employee outcomes in 2004

	Commitment	Satisfaction
Depth of direct EIP index	*0.026	-0.002
	[0.013]	[0.017]
Depth of indirect EIP index	-0.020	**-0.093
	[0.022]	[0.028]

Source: WERS 2004 matched employer-employee data. Base (employees in workplaces with 25 or more employees): 15,651 (commitment), 15,488 (job satisfaction). All estimations are based on weighted data. Notes: ** significant at 1% level, * significant at 5% level. Standard errors in brackets. For further details on these indexes, refer to Table 2 and Appendix A.

Differences between these results and those from the analysis undertaken using WERS 1998 (Cox *et al*. 2006) could reflect a change in the relationship between information and consultation and employee outcomes between 1998 and 2004. Differences could also be partly attributed to differences in the samples, as the 1998 analysis was restricted to workplaces with 10 or more employees, whilst WERS 2004 included workplaces with 5 or more employees, although some of the analysis reported here was restricted to those workplaces with 25 or more employees. Lastly, in the area of job satisfaction there were changes in question wording, as discussed in the previous chapter, and therefore the scale was not strictly comparable. Additional analysis was undertaken with a scale composed of the three strictly comparable questions on fair treatment, sense of achievement from the job and amount of job influence. This, however, had no impact on the significance of the links produced.

A major finding was the variation in results between workplaces with fewer than 25 employees and larger establishments. The lack of significant links between organisational commitment/job satisfaction and EIP practices in small workplaces may be because formal EIP practices are not used or are less important. This would be consistent with the literature discussed in Chapter 2, which suggests that smaller organisations, if not establishments, are less likely to use formal HRM policies and procedures. This analysis also gives rise to the question of whether EIP, in any form, has connections with job satisfaction/organisational commitment in small workplaces. Some answers to this question are provided in the next section.

Employee perceptions of EIP and employee outcomes

This section begins with an analysis of the links between employee perceptions of the usefulness of EIP practices and their job satisfaction and organisational commitment. Table 12 shows how these links vary substantially between workplaces of different sizes. In workplaces with 25 or more employees, there were positive and highly significant links between employee perceptions of the helpfulness of all of the EIP practices - except intranets - and employee organisational commitment and job satisfaction. For workplaces with 10 to 24 employees, positive significant links were only found between employee perceptions of the helpfulness of noticeboards and meetings, and organisational commitment and job satisfaction.

Table 12. Employee perceptions of the helpfulness of EIP practices and employee outcomes in 2004, by workplace size

	Workplaces with 10-24 employees		Workplaces with 25 or more employees	
	Commitment	Satisfaction	Commitment	Satisfaction
Noticeboards	0.239*	0.447**	0.471**	0.524**
	(0.108)	(0.121)	(0.050)	(0.058)
Email	0.239	0.150	0.314**	0.225**
	(0.130)	(0.124)	(0.069)	(0.066)
Intranet	-0.151	-0.008	0.045	-0.068
	(0.157)	(0.159)	(0.062)	(0.059)
Newsletters	0.133	0.138	0.364**	0.388**
	(0.128)	(0.142)	(0.052)	(0.053)
Union/employee representatives.	0.179	0.091	0.170**	0.153**
	(0.180)	(0.184)	(0.062)	(0.057)
Meetings	0.971**	1.043**	0.683**	0.935**
	(0.111)	(0.129)	(0.053)	(0.057)

Source: WERS 2004 matched employer-employee data. Base (employees in workplaces with 10 or more employees): 1,123 (workplaces with 10-24 employees), 14,279 (workplaces with 25 or more employees). All estimations are based on weighted data.
Notes: ** significant at 1% level, * significant at 5% level. Standard errors in brackets.

One interpretation of this data is that, in the smallest workplaces, significant links between employee perceptions of EIP techniques and employee job satisfaction and organisational commitment are limited to EIP techniques that are most likely to be practised there. Face to face

meetings, for example, are likely to be an extremely important form of EIP in these establishments, while intranets, email and newsletters may not be needed for communication between small numbers of people. Unionisation is less common in small workplaces, which may explain the absence of links between helpfulness of union/employee representatives and employee outcomes.

Table 13 shows the links between employee perceptions of the effectiveness of managers' attempts to seek their views and to respond to their suggestions, how satisfied employees are with their involvement in decision-making, and their organisational commitment and job satisfaction. All of these links were positive and highly significant in both small and large workplaces in 2004. These were some of the strongest and most highly significant links presented in this report. This demonstrates the significance of the associations between the quality of relationships with managers, employee perceptions of managers' success at implementing (in)formal EIP, and employee outcomes.

Table 13. Employee perceptions of managers' effectiveness in consultation, satisfaction with involvement in decision-making, and employee outcomes in 2004, by workplace size

	Workplaces with 10-24 employees		Workplaces with 25 or more employees	
	Commitment	Satisfaction	Commitment	Satisfaction
Managers are good or very good at seeking employee views (0/1)	0.546**	0.854**	0.509**	0.840**
	(0.135)	(0.129)	(0.057)	(0.059)
Managers are good or very good at responding to suggestions from employees (0/1)	0.370**	0.796**	0.496**	0.824**
	(0.124)	(0.138)	(0.059)	(0.054)
Employees are either satisfied or very satisfied with the amount of involvement in decision-making (0/1)	1.143**	1.462**	0.876**	1.321**
	(0.119)	(0.111)	(0.050)	(0.052)

Source: WERS 2004 matched employer-employee data. Base (employees in workplaces with 10 or more employees): 1,134 (workplaces with 10-24 employees), 14,195 (workplaces with 25 or more employees). All estimations are based on weighted data.
Notes: ** significant at 1% level, * significant at 5% level. Standard errors in brackets.

Further tests were undertaken to see whether combining the presence, depth and breadth of the formal EIP practices influenced the links between (in)formal EIP processes and employee outcomes. This made little difference to the results. The link between EIP processes and employee outcomes appear to be strong and important in its own right.

The key message of this report is that the *quality* of EIP processes, critically those associated with the involvement of employees in decision-making, have particularly strong links with job satisfaction and organisational commitment. The way in which EIP is implemented at workplace level is therefore likely to be just as important as what kind of practices are used in organisations.

Summary

There was a growth in the popularity of direct forms of management-employee communications across continuing workplaces between 1998 and 2004. There were notable increases in the use of work group briefings, systematic use of the management chain/cascading information systems, suggestion schemes and regular meetings of the entire workforce.

Overall, there was a fair amount of consistency in the 'depth' of information and consultation methods, as indicated by the frequency of JCC meetings, the methods of appointing employees to sit on JCCs, and the coverage of problem-solving groups, between 1998 and 2004. In terms of the 'breadth' of information and consultation methods, there was little change in the type of information provided by managers to employees between 1998 and 2004.

Positive links were found between the 'breadth' of information and consultation methods and the 'depth' of *direct* communication methods, and employee commitment in workplaces with 25 or more employees in 2004. There were also strong positive links between employee perceptions of the helpfulness of some EIP practices, assessments of management effectiveness in consultation and satisfaction with involvement in decision-making, and job satisfaction and organisational commitment for workplaces of all sizes.

5

Conclusions

Variations in EIP by workplace size

The findings highlight the need to understand how formal and informal EIP practices function in different workplaces, especially those of different sizes. This report found differences in the links between EIP and employee outcomes in workplaces of different sizes. This is likely to be because EIP practices which had no significant links with organisational commitment and job satisfaction – emails, intranet, newsletters and union/employee representatives - are less likely to be used in smaller workplaces.

In smaller workplaces, managers may be heavily reliant on a limited number of EIP techniques compared to larger workplaces. It is therefore particularly important to make those techniques used as effective as possible since smaller workplaces are likely to operate fewer substitute methods to compensate for any limitations or weaknesses in a particular EIP technique or how it is applied. It may also be important to differentiate more clearly between the potential of different EIP techniques in workplaces of different sizes. Flexibility and appropriateness are likely to be key to the effectiveness of mechanisms chosen.

The implementation of EIP techniques

The findings have highlighted the importance of the way in which EIP is implemented. There are two reasons why management style and approach matters. The data shows a continuing trend in increasing workplace coverage of direct EIP, as also documented by other research discussed in Chapter 2. This means that individual managers are gaining increasing responsibility for the implementation of EIP practices.

Secondly, the links between management effectiveness in consultation through either formal or informal EIP and employee outcomes are particularly notable. The cross-sectional nature of the analysis means that we cannot prove the direction of causality in the relationship; that is whether or not effective management implementation of EIP leads to improved organisational commitment and job satisfaction or vice versa.

However, evidence from Chapter 2 concerning the role of line managers (Purcell and Hutchinson 2007) finds a similar relationship. This therefore provides some support for the argument that EIP could make a contribution to the development of high performing workplaces and echoes much of the research referred to in the previous chapter. Whilst

recognising the value of higher level consultation in organisations, these findings also provide support for a greater emphasis on informal EIP to supplement formal systems.

The relationship between management style in the degree to which employees perceive they are consulted at work and employee outcomes is worthy of particular policy and research focus. Firstly, while it is intuitively logical that effective participatory management styles should lead to improved employee and organisational outcomes, it would be helpful to examine what this approach might look like in different workplace settings for different occupational groups.

Secondly, given the problems shown in Chapter Two concerning the implementation of people management practices through line management, it is worth asking what incentives can be provided for managers to implement EIP well through embedding it in the workplace. Evidence from organisations that have transformed or improved their practice in this area may be useful for developing guidance for practitioners.

Legislation on information and consultation

The report has implications for the recently introduced Information and Consultation of Employees (ICE) Regulations (2004). Consultation is often associated with collective or indirect EIP mechanisms. However, the prominence of direct methods of EIP and the possibility for direct consultation contained within the provision of the regulations suggests that particular consideration be given to evaluating the extent to which the objectives of the ICE regulations can be met through direct as well as indirect methods.

Maximising opportunities for every employee to participate in a consultation process might require direct consultation but may prove time-consuming if it becomes necessary to sort, categorise and evaluate large numbers of responses. Consultation through small or large groups or representative fora may be more efficient, enable opinions and ideas to be shared and spark off ideas from discussion between small groups. Collective consultation processes may also permit more 'critical' but potentially constructive views to be put forward which one person may lack confidence to voice. Managers may take more notice of a group rather than one individual and pooling views collectively can allow consensus to emerge.

Equally, minority voices may be lost in a collective response as a group voice can be hijacked by vocal members. Above all, the sincerity of managerial attempts to seek employee views, respond to employee suggestions and generate satisfaction with decision-making appears to be linked to employee outcomes. The implementation of the ICE regulations in a way that supports these perceptions should be an immediate objective for the policy and practice of informing and consulting with employees at work.

References

Addison, J. and Belfield, C. (2001) 'Updating the determinants of firm performance: estimation using the 1998 UK Workplace Employee Relations Survey', *British Journal of Industrial Relations*, vol.39, 3: 341-366.

Addison, J., Siebert, W., Wagner, J. and Wei X. (2000) 'Worker participation and firm performance: evidence from Germany and Britain', *British Journal of Industrial Relations*, vol.38, 1: 7-48.

Bryson, A. (1999) 'The impact of employee involvement on small firms' financial performance', *National Institute Economic Review*, 169: 78-95.

Bryson, A. (2004) 'Managerial responsiveness to union and non-union worker voice in Britain', *Industrial Relations*, vol.43, 1: 213-241.

Cotton, J. (1993) Employee Involvement: Methods for Improving Performance and Work Attitudes, Newbury Park, CA: Sage.

Cox, A., Marchington, M. and Zagelmeyer, S. (2003) 'The embeddedness of employee involvement and participation (EIP) and its impact on employee outcomes - an analysis of WERS 98', paper presented to EGOS Colloquium, Copenhagen, 3-5 July.

Cox, A., Zagelmeyer, S. and Marchington, M. (2006) 'Embedding employee involvement and participation (EIP) at work', *Human Resource Management Journal*, vol.16, 3: 250-267.

Cully, M., O'Reilly, A., Millward, N., Forth, J., Woodland, S., Dix, G. and Bryson, A. (1999a) *Britain at Work: As Depicted by the 1998 Workplace Employee Relations Survey*, London: Routledge.

Cully, M., O'Reilly, A., Millward, N., Forth, J., Woodland, S., Dix, G. and Bryson, A. (1999b) *The 1998 Workplace Employee Relations Survey – First Findings*, London: Routledge.

Cunningham, I. and Hyman, J. (1999) 'Devolving human resource responsibilities to the line: beginning of the end or a new beginning for personnel?', *Personnel Review*, vol.28, 1/2: 9-27.

Delbridge, R. and Whitfield, K. (2001) 'Employee perceptions of job influence and organizational participation', *Industrial Relations*, vol.40, 3: 472-489.

Department of Trade and Industry (2001) *Small to Medium Sized Enterprise (SME) – Definitions*, London: Department of Trade and Industry, Small Business Service.

Department of Trade and Industry (2002) *High performance workplaces: the role of employee involvement in a modern economy*, London: Department of Trade and Industry.

Dundon, T., Wilkinson, A., Marchington, M. and Ackers, P. (2004) 'The meanings and purpose of employee voice', *International Journal of Human Resource Management*, vol.15, 6: 1149-1170.

Edwards, P., Ram, M. and Black, J. (2003) *The Impact of Employment Legislation on Small Firms: a case study analysis,* Employment Relations Research Series No. 44, London: Department of Trade and Industry.

EPOC Research Group, (1998) *New Forms of Work Organisation? Can Europe Realise Its Potential? – Results of a Survey of Direct Employee Participation*, Dublin: European Foundation for the Improvement of Working and Living Conditions.

Guest, D. and Conway, N. (2002) 'Communicating the psychological contract', *Human Resource Management Journal*, vol.12, 2: 22 –33.

Heller, F., Pusi , E., Strauss, G. and Wilpert, B. (1998) *Organizational Participation – Myth and Reality*, Oxford: Oxford University Press.

Hutchinson, S. and Purcell, J. (2003) Bringing Policies to Life: The Vital

Role of Front Line Managers in People Management, London: CIPD.

Kaur, H. (2004) *Employment Attitudes: Main Findings from the British Social Attitudes Survey 2003*, Employment Relations Research Series No. 36, London: Department of Trade and Industry.

Kersley, B., Alpin, C., Forth, J., Bryson, A., Bewley, H., Dix, G. and Oxenbridge, S. (2005) *Inside the Workplace: First Findings from the 2004 Workplace Employment Relations Survey (WERS 2004)*, London: Department of Trade and Industry.

Kersley, B., Alpin, C., Forth, J., Bryson, A., Bewley, H., Dix, G. and Oxenbridge, S. (2006) *Inside the Workplace: Findings from the 2004 Workplace Employment Relations Survey*, London: Routledge.

Kessler, I., Undy, R. and Heron, P. (2004) 'Employee perspectives on communication and consultation: findings from a cross-national survey', *International Journal of Human Resource Management*, vol.15, 3: 512-532.

Liden, R., Bauer, T. and Erdogan, B. (2004) 'The role of leader-member exchange in the dynamic relationship between employer and employee: implications for employee socialization, leaders, and organizations', in L. Shore, S. Taylor, J. Coyle-Shapiro and L. Tetrick (Eds.) *The Employment Relationship: Examining Psychological and Contextual Perspectives*, Oxford: Oxford University Press, 226-252.

Marchington, M. (2001) 'Employee involvement at work', in J. Storey (Ed.) *Human Resource Management: A Critical Text*, 2nd edition, London: Thomson Learning.

Marchington, M. (2005) 'Employee involvement: patterns and explanations', in J. Hyman, P. Thompson and B. Harley (Eds.) (2005) *Participation and Democracy at Work - Essays in Honour of Harvie* Ramsay, Basingstoke: Palgrave.

Marchington, M. and Wilkinson, A. (2005) 'Direct participation and involvement', in S. Bach (Ed.) *Managing Human Resources; Personnel Management in Transition,* Oxford: Blackwell.

Marchington, M., Goodman, J., Wilkinson, A. and Ackers, P. (1992) *New Developments in Employee Involvement*, London: Employment Department.

Marchington, M., Wilkinson, A., Ackers, P. and Dundon, T. (2001) *Management Choice and Employee Voice*, London: CIPD.

McGovern, P., Gratton, L., Hope-Hailey, V., Stiles, P. and Truss, C. (1997) `Human resource management on the line?', *Human Resource Management Journal*, vol.7, 4: 12-29.

Meyer, J. and Allen, N. (1997) *Commitment in the Workplace: Theory, Research, and Application*, London: Sage.

Moynihan, L., Gardner, T. and Wright, P. (2004) 'HR practices and employee satisfaction: employee-customer linkages', Human Resource Management Research Conference, University of Bath, 3-5 April.

Peccei, R., Bewley. H., Gospel, H. and Willman, P. (2005) `Is it good to talk? Information disclosure and organizational performance in the UK', *British Journal of Industrial Relations*, vol.43, 1: 11-39.

Purcell, J. and Georgiadis, K. (2006) 'Why should employers bother with worker voice?', in R. Freeman, P. Boxall and P. Haynes (Eds.) *What Workers Say: Employee Voice in the Anglo-American World*, Ithaca, New York: Cornell University Press.

Purcell, J. and Hutchinson, S. (2007) `Front line managers as agents in the HRM-performance causal chain: theory, analysis and evidence', *Human Resource Management Journal*, vol.17, 1: 3-20.

Purcell, J., Kinnie, N., Hutchinson, S., Rayton, B. and Swart, J. (2003) *Understanding the People and Performance Link: Unlocking the Black Box*, London: CIPD.

Ramsay, H. (1977) 'Cycles of control: workers' participation in sociological and historical perspective', *Sociology*, vol.11, 3: 481-506.

Ramsay, H., Scholarios, D. and Harley, B. (2000) `Employees and high-performance work systems: testing inside the black box', *British Journal of Industrial Relations*, vol.38, 4: 501-531.

Sparrowe, R.T. and Liden, R.C. (1997) `Process and structure in leader-member exchange', *The Academy of Management Review*, vol.22, 2: 522-552.

Spector, J.P. (1997) *Job Satisfaction: Application, Assessment, Causes, and Consequences*, London: Sage.

Strauss, G. (1998) 'An Overview' in F. Heller, E. Pusi , G. Strauss and B. Wilpert (Eds.) *Organizational Participation – Myth and Reality*, Oxford: Oxford University Press, 8-39.

Suter, J. (2003) 'An analysis of formal and informal employee involvement: a case study of a National Health Service Trust', unpublished MSc dissertation, Manchester School of Management, UMIST.

Appendix A: Regression variables and measures

Measures of EIP breadth

Team briefing: Is there any `system of briefings for any section or sections of the workforce?' This was scored as 0=no, and 1=yes.

Problem solving group: Are there any `groups that solve specific problems or discuss aspects or performance?' This was scored as 0=no, and 1=yes.

Survey: Has there been any `formal survey of your employees' views or opinions during the last five years?' This was scored as 0=no, and 1=yes.

Existence of a joint consultative committee: This was scored as 0=no, and 1=yes.

In addition, WERS 2004 provides information about whether and what information is given to the workforce by managers. Four dummy variables are analysed:

Information on investment plans: `Management regularly gives employees, or their representatives, any information about internal investment plans'. (0=no, 1=yes)

Information on the financial situation of the establishment: `Management regularly gives employees, or their representatives, any information about financial situation of the establishment'. (0=no, 1=yes)

Information on the financial situation of the organisation: `Management regularly gives employees, or their representatives, any information about the financial situation of the whole organisation'. (0=no, 1=yes)

Information on staffing: `Management regularly gives employees, or their representatives, any information about staffing plans'. (0=no, 1=yes)

Measures of EIP depth

Direct EIP:

Frequency of team briefing: This was scored as 0 for no team briefings, 1 for team briefings held quarterly or less often, 2 for weekly or fortnightly team briefings, or 3 for daily team briefings.

Amount of time allocated to employee questions in the team briefing: This was scored as 0 for no time allocated to employee questions, 1 for less than 10 per cent, 2 for 10-24 per cent, and 3 for 25 per cent or more.

Permanency of problem solving groups: This was scored as 0 for no PSG, 1 for PSGs with a finite life, 2 for a mix of permanent and

temporary PSGs and 3 for permanent PSGs. There are different views about the comparative value of permanent and temporary PSGs; whilst temporary PSGs have been rated as more effective than permanent ones in periods of change (EPOC 1998), the idea of permanency suggests management sees value in continuing with PSGs over a longer period of time (Marchington *et al*. 2001). On balance, therefore, we ranked permanent PSGs higher.

Proportion of employees participating in PSGs: This was scored as 0 for no PSGs, 1 for covering up to 39 per cent of employees, 2 for covering 40 per cent to 79 per cent of employees, and 3 for covering 80 per cent or more of employees.

Indirect EIP:

Frequency of joint consultative committee meetings: This was scored as 0 for no JCC, 1 for JCC(s) meeting up to three times per year, 2 for JCC(s) meeting 4-11 times per year, and 3 for JCC(s) meeting 12 or more times per year.

Mode of representative selection for joint consultative committees: This was scored as 0 for no JCC, 1 if representatives are appointed by management, 2 if representatives are volunteered or chosen by staff association or trade union, and 3 if representatives are elected by the workforce.

Measures of employee perceptions of EIP

'How helpful do you find the following in keeping you informed about this workplace: noticeboards, email, intranet, newsletters, union/employee reps, meetings between managers and employees?' This was scored as 1 if employees rated the method as helpful and 0 if employees rated the method as not helpful or not used at this workplace.

'Overall, how good would you say managers at this workplace are at seeking the view of employees or employee representatives?' This was scored 1 if employees rated managers as good or very good and 0 if they did not.

'Overall, how good would you say managers at this workplace are at responding to suggestions from employees or employee representatives?' This was scored 1 if employees rated managers as good or very good and 0 if they did not.

'Overall, how satisfied are you with the amount of involvement you have in decision-making at this workplace'? This was scored 1 if employees were satisfied or very satisfied and 0 if they were not.

Organisational commitment scale:

The index was a summation of responses to the following three statements which were coded on a five point scale: 1=strongly disagree, 2 =disagree, 3=neither agree nor disagree, 4=agree, 5=strongly agree.

Values: `I share many values of my organisation'.

Loyalty: `I feel loyal to my organisation'.

Pride: `I am proud to tell people who I work for'.

The values of this commitment index range from 3 (low, minimum) to 15 (high, maximum). In order to check the reliability of a summative rating scale of these variables, Cronbach's alpha was computed. An alpha of 0.85 is acceptable in terms of reliability in measuring an unobserved factor, and the item-test correlations (ranging from 0.85 to 0.89) as well as the rest-item correlations (ranging from 0.67 to 0.75) are within acceptable limits.

Employee job satisfaction scale:

The index was a summation of responses with respect to the four items listed below. For the first two, recoded answer categories for each statement were: 1=very dissatisfied, 2=dissatisfied, 3=neither satisfied nor dissatisfied, 4=satisfied, 5=very satisfied:

'The amount of influence employees have on their job'

'The sense of achievement employees get from their work'

The other two items asked employees: '…to what extent do you agree or disagree with the following…?'

'Managers here deal with employees honestly'.

'Managers here treat employees fairly'.

The recoded answer categories for these two statements were 1=strongly disagree, 2=disagree, 3=neither agree nor disagree, 4=agree, 5= strongly disagree).

The values of the job satisfaction scale range from 4 (low, minimum) to 20 (high, maximum). An alpha of 0.79 for the job satisfaction scale is acceptable in terms of reliability in measuring an unobserved factor. The item-test correlations (ranging from 0.73 to 0.83) as well as the rest-item correlations (ranging from 0.53 to 0.66) are within reasonable limits.

Linear regression was used to perform the model estimations. The potential problem of heteroscedasticity is avoided by using Huber-White-sandwich variance estimators for all estimations. All estimations were weighted and account for the clustering of employee responses. The same set of controls was used in each model, with the exception of the employee perceptions of EIP models. Here an extra dummy was introduced where employees scored 1 if they rated employee management relations as either good or very good.

The DTI Employment Relations Research Series

Reports published to date in the DTI Employment Relations Research Series are listed below. Adobe PDF copies can be downloaded either from the Employment Market Analysis and Research web pages:

http://www.dti.gov.uk/employment/research-evaluation/errs

(click on the 'Employment Relations Research Series' pages on right-hand side)

Or via the DTI Publications page: http://www.dti.gov.uk/publications

(click 'Browse by Subject', then select 'Employment Relations Research')

For printed copies, you can place an order via the DTI Publications page. Alternatively call the DTI Publications Orderline on 0845 015 0010 (+44 845 015 0010) and provide the URN, or email them at: publications@dti.gsi.gov.uk with your details.

Anyone wishing to be added to our mailing list for printed copies of this series should email their details to us at: emar@dti.gov.uk

No. 1 *Involving employees in Total Quality Management: employee attitudes and organisational context in unionised environments*. Margaret Collinson, Chris Rees, Paul Edwards with Linda Inness. URN 98/507. June 1998

No. 2 *Industrial Tribunals, workplace disciplinary procedures and employment practice*. Jill Earnshaw, John Goodman, Robin Harrison and Mick Marchington. URN 98/564. February 1998

No. 3 *The dynamics of union membership in Britain – a study using the Family and Working Lives survey*. Richard Disney, Amanda Gosling, Julian McCrae and Stephen Machin. URN 98/807. January 1999

No. 4 *The individualisation of employment contracts in Britain*. William Brown, Simon Deakin, Maria Hudson, Cliff Pratten and Paul Ryan.
URN 98/943. February 1999

No. 5 *Redundancy consultation: a study of current practice and the effects of the Regulations*. Jill Smith, Paul Edwards and Mark Hall. URN 99/512. July 1999

No. 6 *The employment status of individuals in non-standard employment*. Brendan Burchell, Simon Deakin and Sheila Honey. URN 99/770. July 1999

No. 7 *Partnership at work*. John Knell. URN 99/1078. September 1999

No. 8 *Trends in earnings inequality and earnings mobility 1977-1997: the impact of mobility on long-term inequality*. Abigail McKnight. URN 00/534. February 2000

No. 9 *Costs and benefits of European Works Councils Directive*. Tina Weber, Peter Foster and Kursat Levent Egriboz. URN 00/630. February 2000

No. 10 *Explaining the growth in the number of applications to Industrial Tribunals, 1972-1997*. Simon Burgess, Carol Propper and Deborah Wilson. URN 00/624. April 2001

No. 11 *Implementation of the Working Time Regulations*. Fiona Neathey and James Arrowsmith. URN 01/682. April 2001

No. 12 *Collective bargaining and workplace performance: an investigation using the Workplace Employee Relations Survey 1998*. Alex Bryson and David Wilkinson. URN 01/1224. November 2001

No. 13 *Findings from the 1998 Survey of Employment Tribunal Applications (Surveys of Applicants and Employers)*. URN 03/999. February 2004

No. 14 *Small firms' awareness and knowledge of individual employment rights*. Robert Blackburn and Mark Hart. URN 02/573. August 2002

No. 15 *Awareness, knowledge and exercise of individual employment rights*. Nigel Meager, Claire Tyers, Sarah Perryman, Jo Rick and Rebecca Willison. URN 02/667. February 2002

No. 16 *Working long hours: a review of the evidence. Volume 1 – Main report. Volume 2 – Case studies (and appendices)*. J Kodz et al. URN: 03/1228. November 2003

No. 17 *Evaluation of the Partnership at Work Fund*. Mike Terry and Jill Smith. URN 03/512. May 2003

No. 18 *Retirement ages in the UK: a review of the literature*. Pamela Meadows. URN 03/820. July 2003

No. 19 *Implementation of the Working Time Regulations: follow-up study*. Fiona Neathey. URN03/970. July 2003

No. 20 *The impact of employment legislation on small firms: a case study analysis*. Paul Edwards, Monder Ram and John Black. URN 03/1095. September 2003

No. 21 *Employee voice and training at work: analysis of case studies and WERS98*. Helen Rainbird, Jim Sutherland, Paul Edwards, Lesley Holly and Ann Munro. URN 03/1063. September 2003

No. 22 *The Second Work-Life Balance Study: Results from the Employer Survey*. Stephen Woodland, Nadine Simmonds, Marie Thornby, Rory Fitzgerald and Alice McGee. URN 03/1252. October 2003

No. 23 *The business context to long hours working*. T, Hogarth, W.W. Daniel, A.P.Dickerson, D. Campbell, M.Wintherbotham, D. Vivian. URN 03/833. November 2003

No. 24 *Age matters: a review of the existing survey evidence*. Dr. Peter Urwin. URN 03/1623. February 2004

No. 25 *How employers manage absence*. Stephen Bevan, Sally Dench, Heather Harper and Sue Hayday. URN 04/553. March 2004

No. 26 *The content of new voluntary trade union recognition agreements 1998-2002: Volume one – An analysis of new agreements and case studies*. Dr Sian Moore, Dr Sonia McKay and Helen Bewley. URN 04/1084. August 2004

No. 27 *The Second Work-Life Balance Study: Results from the Employees' Survey*. Jane Stevens, Juliet Brown and Caroline Lee. URN 04/740. March 2004

No. 28 *2003 Compendium of Regulatory Impact Assessments*. Employment Market Analysis and Research. URN 04/743. April 2004

No. 29 *Trade union recognition: statutory unfair labour practice regimes in the USA and Canada*. John Godard. URN 04/855. March 2004

No. 30 *Equal opportunities policies and practices at the workplace: secondary analysis of WERS98*. Tracy Anderson, Neil Millward and John Forth. URN 04/836. June 2004

No. 31 *A survey of workers' experiences of the Working Time Regulations*. BMRB Social Research. URN 04/1165. November 2004

No. 32 *The evaluation of the Work-Life Balance Challenge Fund*. Adrian Nelson, Kathryn Nemec, Pernille Solvik and Chris Ramsden. URN 04/1043. August 2004

No. 33 *Findings from the Survey of Employment Tribunal Applications 2003*. Bruce Hayward, Mark Peters, Nicola Rousseau and Ken Seeds. URN 04/1071. August 2004

No. 34 *Employment relations monitoring and evaluation plan 2004*. Employment Market Analysis and Research. URN 04/1256. September 2004

No. 35 *Findings from the 1998 survey of representatives in Employment Tribunal cases*. P.L.Latreille, J.A. Latreille and K.G. Knight. URN 04/1530. August 2004

No. 36 *Employment attitudes: Main findings from the British Social Attitudes Survey 2003*. Harjinder Kaur. URN 04/1868. December 2004

No. 37 *Job separations: A survey of workers who have recently left any employer. Volume one – Main analysis report*. Tania Corbin. URN 04/1920. December 2004

No. 39 *Results of the Second Flexible Working Employee Survey*. Heather Holt and Heidi Grainger. URN 05/606. April 2005

No. 40 *2002 Compendium of Regulatory Impact Assessments*. Employment Market Analysis and Research. URN 05/582. April 2005

No. 41 *2004 Compendium of Regulatory Impact Assessments*. Employment Market Analysis and Research. URN 05/1018. April 2005

No. 42 *The age dimension of employment practices: employer case studies*. Stephen McNair and Matt Flynn. URN 05/863. June 2005

No. 43 *The content of new voluntary trade union recognition agreements 1998-2002. Volume two – Findings from the survey of employers*. Dr Sian Moore, Dr Sonia McKay and Helen Bewley. URN 05/1020. May 2005

No. 44 *Employment Relations monitoring and evaluation plan 2005*, Employment Market Analysis and Research. URN 05/1019. July 2005

No. 45 *Review of research into the impact of employment relations legislation*. Linda Dickens, Mark Hall and Professor Stephen Wood. URN 05/1257. October 2005

No. 46 *People, Strategy ad Performance: Results from the Second Work and Enterprise Business Survey*. The Work Foundation. URN 05/1392. September 2005

No. 47 *'Small, flexible and family friendly' – work practices in service sector businesses*. Lynette Harris and Carley Foster URN 05/1491. October 2005

No. 48 *2005 Compendium of Regulatory Impact Assessments. Volume 1 and Volume 2*. Employment Market Analysis and Research. URN 06/627 (Volume 1) and 06/669X (Volume 2). March 2006

No. 49 *Survey of employers' policies, practices and preferences relating to age*. Hilary Metcalf and Pamela Meadows. URN 05/674. April 2006

No. 50 *Maternity and paternity rights and benefits: survey of parents 2005*. Deborah Smeaton and Alan Marsh. URN 06/836. March 2006.

No. 51 *Employment Rights at Work: Survey of Employees*. Jo Casebourne, Jo Regan, Fiona Neathey, Siobhan Tuohy. URN 06/ 837. April 2006.

No. 52 *2001 Compendium of Regulatory Impact Assessments*. Employment Market Analysis and Research. URN 06/927. July 2006

No. 53 *1999 Compendium of Regulatory Impact Assessments*. Employment Market Analysis and Research. URN 06/955. July 2006

No. 54 *Findings from the Survey of Claimants in Race Discrimination Employment Tribunal Cases*. URN 06/1059. Mark Peters, Ken Seeds and Carrie Harding. September 2006

No. 55 *The Experience of Claimants in Race Discrimination Employment Tribunal Cases*. Jane Aston, Darcy Hill and Nil Djan Tackey. URN 06/1060. April 2006

No. 56 *How have employees fared? Recent UK trends*. Grant Fitzner. URN 06/924. June 2006

No. 57 *International review of leave policies and related research*. Peter Moss and Margaret O'Brien (editors). URN 06/1422. June 2006

No. 58 *The Third Work-Life Balance Employee Survey: Main findings.* Hülya Hooker, Fiona Neathey, Jo Casebourne, Miranda Munro. URN 07/714. March 2007

The Third Work-Life Balance Employee Survey: Executive summary. URN 07/715 (replacing July 2006 version, URN 06/1372/ES). March 2007

No. 60 *2000 Compendium of Regulatory Impact Assessments*. Employment Market Analysis and Research. URN 06/1164. July 2006

No. 63 *The First Fair Treatment at Work Survey: Executive summary.* Heidi Grainger and Grant Fitzner. URN 06/1380. June 2006

No. 64 *Review of judgments in race discrimination Employment Tribunal cases.* Alison Brown, Angus Erskine and Doris Littlejohn. URN 06/1691. September 2006

No. 65 *Employment flexibility and UK regional unemployment: persistence and macroeconomic shocks.* Vassilis Monastiriotis. 06/1799. December 2006

No. 66 *Labour market flexibility and sectoral productivity: a comparative study.* Vassilis Monastiriotis. 06/1799. December 2006

No. 67 *1997-1998 Compendium of Regulatory Impact Assessments*. Employment Market Analysis and Research. URN 06/1840. September 2006

No. 68 *Union modernisation fund: interim evaluation of first round.* Mark Stuart, Andy Charlwood, Miguel Martinez Lucio and Emma Wallis. URN 06/1803. September 2006

No. 69 *Employee representation in grievance and disciplinary matters – making a difference?* Richard Saundry and Valerie Antcliff. URN 06/2126. December 2006

No. 70 *Changing job quality in Great Britain 1998 – 2004.* Andrew Brown, Andy Charlwood, Christopher Forde and David Spencer. URN 06/2125. December 2006

No. 71 *Job quality in Europe and the UK: results from the 2005 European Working Conditions Survey.* Grant Fitzner, Nigel Williams and Heidi Grainger. URN 07/632. March 2007

No. 72 *Embedding the provision of information and consultation in the workplace: a longitudinal analysis of employee outcomes in 1998 and 2004.* Annette Cox, Mick Marchington and Jane Suter. URN 07/598. February 2007

No. 73 *Patterns of information disclosure and joint consultation in Great Britain – determinants and outcomes.* Riccardo Peccei, Helen Bewley, Howard Gospel and Paul Willman. URN 07/599. February 2007

Printed in the UK on recycled paper with a minimum HMSO score of 75.
First published 2007. Department of Trade and Industry. © Crown Copyright. www.dti.gov.uk
ISBN: 978-0-85605-682-6 0.85k/01/07/NP. URN 07/598