

Recommendations

There are therefore contradictory incentives for employers in this respect. On the one hand, they may be willing to invest in the capability of these representatives. On the other hand, they may be concerned that the representatives become too powerful in developing a voice alternative to management. What results is a flawed framework for participation which is destined to come up short to the objectives of high-commitment HRM. It introduces further costs for management: not just the costs for investing in these alternative structures but also the costs of ineffective HRM. This in addition to the obvious costs that the flawed framework presents to the workers.

This raises the question as to whether it would be easier to provide more space for independent representation and minimise the costs and bureaucratic controls within the management-led cases. The ironic outcome of our research was that organisations may be better of recognising unions more clearly and working with collective and independent worker representatives given the weaknesses and risks within the new fragmented systems of representation, and the failure to gain a systematic authentic input from the workforce.



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Employee representatives and participation within the UK: The continuing need for collective mechanisms

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Summary

This report draws on a selection of semi-structured interviews with leading Human Resource (HR) managers in ten organisations from a project consisting of 11 countries and led by the University of Leuven.¹

They were approached through a range of contacts and prior research links, and can be considered representative of medium to large organisations in various sectors of the British economy. They are not fully representative of the overall United Kingdom's (UK) management attitude towards employee representatives and social dialogue as they are mostly firms with embedded participation traditions of one form or another (whether unionised or less so).

Nevertheless, they appear to present us with an opportunity to discuss various aspects of the British labour and employment relations system and the increasing costs of moving to a non- or less collective union focus. The briefing focuses on those cases with a weaker trade union input. This absence of independent collective input provided specific challenges and costs to employers raising the need for a greater commitment to such union representation as an alternative.



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The Research

1. The research was the UK part of a comparative project by NEIRE (New European Industrial Relations) about the opinions of HR managers on the nature of dialogue and employee representatives at work. This study was funded by the European Commission's DG for Employment, Social Affairs & Inclusion (VS//0416) and aims to improve the quality of social dialogue as a tool for innovation by exploring the experiences and expectations of European employers on the structures, roles, attitudes and competencies of employee and union representatives.

The structure of representation and its fragmentation?

The UK has been classified as a liberal market economy (Hall and Soskice, 2001) with a market-based employment regime (Gallie, 2007) and an industrial relations regime described as (liberal) pluralism (Crouch 1993; Visser 1996). There are less positive legal rights to collective representation compared to other countries within the European Union per se (see Martínez Lucio and Stuart, 2005).

Increasingly, since the 1980s, there has been a shift from the former dominance of a trade union-style approach towards alternative types of 'management-led' employee representation. As a consequence, it can be argued that the UK is now to some extent a dual system of representation in two senses. Firstly, union and non-union forms of collective representation sometimes co-exist in the same organization, although often within different divisions. As the findings of the study illustrate, most forms of participation within organizations have either a (strong) union role or rely on an alternative form and this appears to be different from the situation in many European countries. Secondly, the increase in more direct forms of representation and consultation is leading to the fragmentation of labour relations and has contributed to a second duality between more collective and more individual forms (Marchington & Wilkinson, 2005). Instruments such as workforce surveys, quality circles and team briefings are becoming an important feature of many firms and workplaces, although this research has not focused on this dimension.

The findings show the UK case to be a heterogeneous form of representation which has evolved over time, although the extent of independence among employee representatives and the autonomy of the representative processes is to be questioned at times. There is a wide diversity in structures, possibly much more so than on the European continent, with a distinction between more established union structures and more recent participation initiatives. In many ways what we found was a variety of systems of participation and complex narratives sustaining

university, a charity, a health service trust (part of the National Health Service), and a local housing organisation that also runs several academy schools. In the case of the multinational organisations, the focus was solely on UK operations.

and legitimating processes of representation. The latter illustrates an important degree of 'negotiation' over participation in relation to its legitimacy and effectiveness. Even when initiatives are management led and the motives were normally concerned with controlling the remit of participation, and when the initiatives appeared mostly symbolic in relation to worker representation, the need to try and construct a framework of legitimacy was evident.

The comparison between union-based and alternative forms of participation proved particularly interesting. There were few organisations where both workers' forums and unions played an active role. Some interviewees suggested that the forums or councils were there to counter potential union development. As mentioned, if there was both a forum and a union, this often concerned different parts of the organisation such that the two would remain separate. For example, in a housing trust the main part of the organisation had an employee forum while the education side was unionised. At a chemical MNC, there were small unionised areas, with the majority of employees represented only through the employee forum. There are also some cases where HR managers said that there was no call for unions, partly because of the perceived success of the forum. So we saw complex labyrinths of representation and participation, which doubtlessly present opportunities to management but also present challenges to workers and even the organisation as a whole.

The structures of participation were sometimes highly layered and complex as in the large national supermarket and the large city council which were both unionised. This raises specific questions about the capabilities of representatives (particularly further down these layers) and the location of the appropriate level or channels to discuss strategic matters. There were also special 'joint' management and worker representative working groups in some instances, related to the development of specific operational matters such as grievance and discipline which tended to contribute to the

The structure of representation and its fragmentation? continued

complexity. The time and resources provided to prepare for such work were more regulated where there was a stronger tradition of union representation. In the case of employee forums, the allocation of time was often limited to the meetings and was often at the discretion

of and the responsibility of individual managers. We therefore need to be careful when discussing these forms of representation. Their constitution and structure are complex and not subject to clear regulatory guidelines, making them increasingly management-determined.

Challenges of employee forums in non- or weak-union approaches

The costs of a more 'flexible' approach to participation were related to ongoing issues of sustainability. In the case of the housing trust the HR manager was concerned with the lack of formality and procedure. It was also common for interviewees to express concern about the lack of ability and capability of representatives, and the need for a more elaborate remit for the representative council. This was the case for the charity and the housing trust. The general concern was that there needed to be a more systematic set of structures and support. The authors see this as a reflection of the costs of such an informal and more 'flexible' nature of such systems.

The need to develop less personal/individual agendas and a better way for representatives to feed back to the employees were also raised. This may be a reflection of the lack of history and clarity in the processes of those newer and company-led forms of representation. The more voluntary and flexible approaches to participation did not work within clear and stable boundaries in terms of agenda setting, the development of representatives or the general support for them. This is partly due to the absence or weaknesses of any legal or external guidelines and expectations of what support representatives should have. Hence, the advantages of flexibility in representation as perceived by managers were countered by serious concerns about capability in the worker representatives.

Even in larger private sector companies there were concerns as to the quality or even absence of representatives further down the operational structures when unions were not used or available. Incentives for engaging with participation and becoming a representative were not always apparent in part due to the lack of transparency of participative structures. There were references to the failure to explain the purpose of participation.

Implications

The UK appears to exhibit different characteristics compared to Europe when we discuss questions of participation with the more 'flexible' and company-led approaches very apparent as the sole mechanism of participation in many organisations. While it is clear that many forum or council structures may **appear** to perform reasonably well, management plays a major role in setting or shaping the agenda, and sometimes even the membership, especially with regards to the link with trade unions and whether individuals can stand for election as trade unionists: this raises ethical issues.

While discussing the outcomes, we must also keep in mind that these cases were open to us on what is normally a very sensitive topic in the UK and we are therefore unlikely to have captured many of the weaker cases and problems associated with a fragmented system of representation and participation. These organisations were open and willing to engage in a discussion with researchers and thus likely to reflect the relatively more advanced side of participation. Many firms are not like this. The ability of worker representatives – especially those from a non-trade union background - to engage in a systematic and professional manner was a concern, and in those cases beyond the public sector, where unions continue to be present, it required extensive investment in training. The findings thus show a clear and sharp divide between the traditionally unionised public and private sector cases on the one hand, and the less union-driven pasts of the private and even parts of the voluntary sector on the other. In theory the depth, extent of dialogue and level of employee representative experience is much greater in the former. The nature of dialogue is broader even though the current political context is presenting a series of challenges.

The forums played some roles in terms of dealing with some key issues and in creating a climate or appearance of dialogue. They were important in legitimising management decision making. To some extent this dominant position of management is countered by the need for the forums to appear to be successful. The 'better' organisations stressed how the forums or councils were an essential instrument in improving communication and engagement. The forums were developed to enhance operational HRM activities through general discussion or through the promotion of sub-groups for solving problems or developing specific features of HR practice such as discipline and grievance mechanisms.

The main risk of these management-led initiatives lies in their fragmented nature. There is no clear pattern of representation as it varies by sector and organisation, and even within them there are various differences. In addition, the forums examined, while in the main established and functioning well, did not always have a clearly independent role in the context where unions were weaker. There were also potential problems with the question of time. In the less union oriented private sector cases the time available for such work was variable and not always adequate: thus confirming the difficulty of sustaining a coherent approach across time. The research conforms and adds to some of the concerns raised by various authors on such new forms of participation and the costs and rigidities that come with them (Kaufman, 2003; Gollan, 2010).

What did strike us, regardless of the diversity and tensions in terms of participation, was that the managers in those cases where there were no unions or weaker unions, having engaged with the question of participation, still needed to ensure that the legitimacy of participation was developed. Even if agendas and individuals were not as independent as one would have liked, the presence of forums and representatives brought forward a need for pre-meetings, processes of feedback, elections to guarantee representativeness and continuity, agenda setting, the development of core individual representatives and regular meetings.

In effect, management had to be seen to at least enact such features of participation and the perceived culture of it. If anything this approach was a focus of attention in those cases where organisations have decided not to develop or allow independent trade union-based participation. In these cases they have to ensure that the memory or practice of collective mechanisms are recreated so as to justify the remit of the forums (see Martínez Lucio and Stuart 2007 for a discussion).