

# Meaning of employee voice commerce essay



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Collective voice achieves what a lone voice could never do. Collective representation is also the foundation of a partnership relationship between employers, employees and unions that bring positive benefits for the business (Prosser, 2001).

Throughout the twentieth century collective bargaining was the most significant means of regularity relationships in UK between employers and employees via trade union. In continental Europe there is more emphasis on employee voice having some role in the practice of companies. As defined by Boxall and Purcell (2003):" Employee voice is the term increasingly used to cover a whole variety of process and structures which enable, and sometimes empower employees, directly and indirectly, to contribute to decision making in the firm".

This essay will be focusing on the key areas such as Meaning and Purpose of employee voice, the frame work of employee voice, mechanisms and the impact of employee voice on unionised and non-unionised organisations.

## **Meaning of Employee Voice**

Voice is a term that has been more widely used in the practitioner and academic literature on Human Resource Management and Industrial Relations in recent years (Breadwell 1998, Sako1998, Benson2000: Roche, 2000).

According to Hirschman's classic study (1970) of African railways, he said that voice is an option for customers in a context of how organisations respond to decline, since then the term as been used in different

applications. But Freeman and Medoff (1984) argued that it would be better for both the employer and employee to have a voice mechanism.

Employee voice is said to be a two way communication process between the employer and the employee, in which the employers communicate to their employees as well as receiving or listening from the employee. Employee voice is one of the most important characteristics of employee participation. Employee voice mainly focuses on how employees can be part of decision making in the firm, which can be done through trade unions or by any other means of support.

Employee Voice can be reached out by different forms of medium, but the main forms of means stated by (Millword et al.(2000)) are via trade union membership, recognition and representation, via indirect or representative participation mechanisms such as joint consultation and via direct employee involvement in the management . Freeman and Medoff( 1984) believed that trade unions were one the best means of approach for the employees to put there point across to the management as they remained independent .

## **Purpose of Employee Voice**

Four main purpose of Employee voice according to Michael Armstrong (2006)

First voice talks about Individual Dissatisfaction, in this type the main aim is to solve a problem or an issue with the management, like finding expression in a grievance procedure or speak up programme. The second voice talks about expression of collective organisation where voice provides a countervailing source of power to management, which is either done with the help of unionisation and collective bargaining. This can be related to <https://assignbuster.com/meaning-of-employee-voice-commerce-essay/>

Freeman and Medoff theory. The third voice is about contribution in management decision making, the main purpose is concerned with decision making which is generally regarding work organisation, quality and productivity. This view is evident in high involvement. Fourth voice is all about mutual understanding between the employees and the employer. Basically it is a form of mutuality, with partnership seen as delivering viability for the organisation and its employees.

## **Types of Employee voice**

There are various forms of Employee voice. Lewin and Mitchell (1992) distinguished voice between mandated voice (e. g. co-determination and legislation) and voluntary voice (e. g. collective bargaining and grievance procedures).

The framework for employee voice has been modelled by Marchington et al (2000)

Voices can be divided into two different parts:

Individual- which is purely based on employees.

Collective- which is based on unions or any forms of groups.

Shared and Contested Agenda- which covers four ideal types which are upward problem solving, grievance process, partnerships and collective bargaining. Organizations can see one of these dimensions, whereas organization can have more than two dimensions at the same time. This frame work of voice is more on the broader perspective and systematic.

## **Mechanisms of Employee Voice**

Employee voice mechanisms can be divided into three categories:

Upward Problem Solving- refers to a technique in which managers use to tap into employees ideas and opinions, either through two way communication or through any specific systems set up for the employees to express their voice, it is structured such that it can be operated directly between managers and employees rather than any employee representatives. Techniques included in upward problem solving are:

-Electronic media: sharing and seeking of ideas via electronic means such as email.

-Two-way communication: sharing and seeking ideas face to face between managers and staff to whom they report, e. g. By having one on one interaction or by regular meetings.

-suggestion schemes: where each of the employees put their ideas and suggestion to the management, who then make sure the relevant ideas are implemented.

-Attitude Survey: is basically sending out questionnaires or conducting survey to check on the level of satisfaction with a particular aspect of work or organization.

-Project Teams: group of employees brought together to discuss quality of work in the organization or any issues regarding the organization.

b) Representative Participation- refers to a scheme in which the employee representatives meet up with the managers on a regular basis. The main characteristic of that there is no direct involvement of the employees and their managers. Techniques used in Representative Participation are Partnership schemes, European work council, Joint consultation, and Collective Representation and Employee forum. All of these mechanisms are formal, but informal mechanisms can be very effective form of voice at small organizations. Example for informal voice is grey point, strikes and many more.

c) Engagement – is a feeling on the part of the employees that are able to express their view point to the management and in return the management would will provide support to allow this to happen, so that the employees are satisfied.

### **Union and Non-union forms of employee voice and its impact on organisational performance as a whole**

Lot of research and study has been conducted and different theories have been collected regarding union and non-union representation of employees. Freeman and Medoff (1984) said that unions are the key mechanisms for improving workers' productivity, reducing economic inequality and stabilizing the work force. Whereas according to the Human Resource Management (HRM) there has been an increase attention on collective decision making, information sharing and employee participation (Benson, 2000).

## **Unionised Employee Voice**

According to Boxall and Purcell (2003) in industrial relations, the main reasons for employee voice representation are collective bargaining and consultation. Freeman (1976) defined unions as the institutions of collective voice in the labour market, Freeman further stated that collective forums for employee voice is more effective as it strengthens up the worker communities and provides a direct contact between the employees and management; but Addison and Belfield's (2004) argued that this union structure would create a communication gap between the workers and management because they have to deal with issues through a third party. Freeman and Medoff (1984) also stated that unions play an important role in minimising the turnover rate as they provide their employees with voice mechanisms through which they rectify work related problems and also negotiate for higher compensation packages. Freeman and Medoff (1984) arguments were supported by Batt, Colvin and Keefe (2002) who also believed that employees have to be given a higher compensation than what they would earn in a non-union set up and also unions strengthen employees, by providing them voice which would help them in reducing the grievance and pay inequality. Unions not only help in strengthening the employees, but they also help employers in minimizing turnover ratio, reducing hiring and training for new employees. Pettinger (1999) states that many organisations prefer to have a unionised set-up rather than an unstructured approach for employee voice recognition, as it consumes less time and energy. Freeman and Medoff further added that unions can stop the organisation from engaging themselves into an opportunistic behaviour, which could cause damage for the workers. Basically unions help the organization to take

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proper care of their workers concerns so they would be motivated and committed in fulfilling their job responsibilities.

Unfortunately unions have a negative impact on the organisations as well. Many researchers and employers state that, one thing which hurts the business and employers badly is stoppage of work by conducting strikes for fulfilments of their demands. A recent incident can be considered as an example, which is about Royal Mail (UK). Where Communication Workers Union (CWU) went on series of strikes from July to October, 2007 which was regarding increase in pay, which not only caused damage to Royal Mail but also other business. This Example gives rise to the argument that unions tend to be selfish and not consider the needs or repercussions which are going to be caused, which could affect the long-term future of the organization. Most of researchers believe that unions help in increasing workers efficiency and productivity, but Addison and Hirsch (1989) denies this statement because there is average effect of unions on employee's productivity and efficiency is quite less, as they are located in industries with low growth rate, they further believed that unionised set-ups experience lower profit margin; there are some exceptions, where most of the Asian organisation such as Sony, Tata Motor (India) and others, have a very well established union structure and still making huge amount of profit, probability a lot more than other organizations, so the efficiency and effectiveness of unions also depends on environment of business.

### **Non-Unionised Employee Voice**

Pettinger, (1999) describes non-unionised employee voice to be forms of joint consultation which includes joint consultative committees and work

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councils. Joint consultative committees act like a bridge in providing formal information sharing mechanisms among management and the employees. In a non-unionised employee representation joint consultation not only allows management to determine the issues in which they want employee participation to seek their opinions for better solutions, but also they retain the right to decide the final outcomes or results. Management view is taken into consideration rather than the employees as employers are the one investing money in the business and they would want the best performance, so they would be deciding rather than the employees or unions. Work council are constituted by the organisations and representatives are chosen from different departments so that employee's views concerns can be answered. Work council provided benefits both employees and employers by providing them with improved work flow system, increasing trust and cooperation and by spreading the use of the best practice. Work councils are representatives for the entire workforce of organisation regardless of the membership. Croucher and Brewster (1998) stated that work council are more effective when compared to trade unions in dealing with issues related to work practice, this argument was further supported by Pettinger (1999) that work council acts as a forum to exchange ideas, which will encourage the employees to participate in the growth of the organisation and also give rise to flexibility in working environment, which reduced isolation between different departments in the organisation.

The work council also has an negative impact on the organisation unlike the trade unions, they are created in-house and are not dependent bodies representing employees issues, due to this an additional cost has to be

bared by the organisation which will be an problem for the employers( Pettinger, 1999). There is a common believe that employees might not understand the strategic perspectives of the organisations as it is an in-house creation of committees, they might bog down to management pressure where they have to make difficult . Critics of work council argued that they are the employers initiated structure, based on their own terms so they cannot be effective in voicing employees concern and issues, and are likely to serve management position on certain issues (Gollan, 2001). He further stated that this structure is believed to have more management supporters, so they are not fully independent of bias factors.

### **Benefits for Employers**

According to the CIPD view, high performance workplace knowledge and skills are developed and better used, leading to high value enterprise and an increasingly knowledge economy, with a greater voice for employees. The employers are benefited by employee's skills and knowledge can be better used leading to higher productivity. Employees feel more valued, so they are more likely to stay and contribute more to the organisation. The gains a positive reputation, making it easier to recruit good employees. Conflict is reduced and co-operation between employer and employee is based on interdependence.

### **Benefits for Employees**

Having more influence over the work.

Higher job satisfaction.

More opportunities to develop skills.

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More job security if their employer is more successful as a result of voice imitative.

## **Impacts of Employee Voice**

### **Conclusion**

From an organization point of view it would be in the company's best interest to involve management programmes that includes several voice mechanisms, by encouraging employees voice at the workplace through various methods , an organisation can fulfil an ethical and political need while also fortifying their bottom line by awarding high exit ration and resignation rate, It can be precisely conclude that choice of employee voice mechanisms entirely depends on the circumstances and the environment in which employees are conducting their business activities.