

Employee involvement in decision making



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McCabe and Lewin (cited in Dundon et al., 2004) termed employee voice as a way of expressing complaints or grievances or dissatisfaction and the participation and involvement of employees in decision making process of organization. During the last two decades, revolutionary steps that have been initiated to facilitate the high performance working mainly focused on increasing the ways of joint consultation, which attracts both employers (who demand better business results) and employees (who demand recognition and protection of employee rights) (CIPD, 2009).

Employee voice is a very important factor in the success of an organization. Dundon et al. (2004) argues that successful voice regimes not only positively affect the performance of employees in terms of quality and productivity but also help to negate the issues which might explode otherwise. Opportunities of Employee voice are believed to be associated with the employee turnover. According to (Spencer, 1986) employees will show more interest in staying with the organization if they have more opportunities to express their dissatisfaction, grievances and to change the unsatisfactory work conditions. Collective bargaining and joint consultation have been the main spotlight of industrial relations as far as employee voice is concerned

According to Boxall and Purcell (2003) in the industrial relations, the main focus for representation of employee voice has been on the collective bargaining and consultation. Freeman (1976) defined unions as the institutions of collective voice in the labour market. He further asserted that collective forums, for voicing employee issues are more effective in some situations as they help strengthening worker communities and provide a direct mean of communication between them and management; but Addison

and Belfield's (2004) findings tend to negate these arguments as according to them more formalized union structure may create a communication gap between workers and management, because they have to deal with their issues through a third party. Freeman and Medoff (1984) argued that union plays a vital role in minimizing turnover rate as they provide employees with the voice mechanisms through which they can rectify the work related problems and can negotiate higher compensation packages. Their arguments are supported by Batt, Colvin and Keefe (2002), who believes that employees in union set-ups are expected to have higher compensation than they could earn in similar jobs in non-union set-up and secondly unions strengthen employees, by providing them with a voice in determining policies that reduce the pay inequality, grievance and arbitration procedures for appealing managerial decisions

Employee voice refers to the two dimensional dialogue between management and employees which allows employees to give their feedback and express their concerns and griefs relating to matters affecting them. Employee voice is not a one-off phenomenon as employees like to put their suggestions for improvements and express griefs on a continuing basis. (Landau, 2009) Employee voice not only helps employee's to improve performance but it is good in principle (Wilkinson 2001). It is a fundamental right of each employee to know the information regarding the financial and organizational performance of the organization and express their concerns about the work conditions or feed any ideas which they feel will be beneficial and helpful in achieving the long term goals of the organization.

Employee involvement (EI) and employee participation (EP) have been given much importance in the employee relations literature for a long time.

Employee involvement is normally initiated by the management and it takes place at lower levels of organization sharing information at the shop floor on matters that effect their day to day working not allowing them to give their opinion about the higher lever decision making., on the other hand , employee participation is driven by indirect means of representation like unions and advice councils etc and its aimed at higher levels of the organization concerning matters of long term importance (Ackers et al, 2003).

Employee voice plays an important role in increasing commitment. Sensitive financial and organizational information is shared with employees. These symbolic gestures can make them feel they are trust worthy and being treated fairly and openly and they are an important asset for the organization. (Marchington, Wilkinson, 2005 pp77). This commitment can lead to improved performance as committed employees put extra discretionary effort in to the work.

Landau, 2009 concludes that employees who express their voice and their voice is accepted and appreciated are more committed, more likely to stay in the organization, have good attitudes about their immediate managers and feel more secure as compare to those who speak up unsuccessfully. Downward communication takes place in almost all the organizations, different kind of mediums are used to brief employees about the current issues faced by the organization. Employee voice can pave a way for more conducive and open work environment to work in.(Wilkinson, 2004)

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Financial participation not only helps employee to contribute towards the success of the organization but also help them take their fair share of company profits. (Marchington, 2005) It is argued that employees will be more likely to accept decisions in which they involved. Employees will be in a right /better position to perform if they know what is expected from them and what is the situation of the organization. Participation can lead to less conflict and increased team work spirit.

There is compelling logic in favour of effective employee involvement. regular provision of relevant information to employees together with consultation on management proposal on issues, promotes a shared commitment to the objectives of an organization, this in turn maintains a positive climate in which employees are motivated to contribute to business success which benefits both employer and employees alike.

Direct participation: direct participation means that the employees themselves express their opinion and say over matters affecting them on the contrast, indirect participation means that a third party e. g trade union or advice council represents the right of the employees (Guest, Fatchett, 1974). In top down problem solving, workers may feel that they are being lectured and not listened to , where as in bottom up approach, employees may feel that management is using their ideas and suggestions without giving them any reward.

A feeling of powerlessness decreases loyalty and commitment in employees, it is important to tap new ideas and suggestions from lower level employees as there are more close to the customer the workplace. There are more

chances of having more satisfied employees if they genuinely being involved. Transformational leadership encourages their subordinates to give suggestions or report grievances or anything they are dissatisfied with because of their natural instinct towards improvement rather than just maintaining the status quo. These initiatives help the employees to perceive/discover their value for the organization and results in more committed and enthusiastic work force which is fundamental to the achievement of long term goals and objectives (Detort, 2007)

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