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# Effective Joint Consultative Committees:

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## An exploration of the role of Trust and Justice

Konstantina Kougiannou

Thesis submitted for the degree of PhD

Durham University Business School

Durham University

2013

## ABSTRACT

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This thesis investigates Joint Consultative Committees' (JCCs) effectiveness perceptions among its participants and the role of trust and justice on these perceptions.

A two-year mixed-methods longitudinal study of JCC participants in two organizations (a Housing Association and a Professional Services firm) was carried out. Results from statistical analysis highlight a positive significant relationship between trust, justice and JCC outcomes (JCC performance, JCC usefulness, Partnership and outcome satisfaction). Moreover, industrial relations climate is found to moderate the relationship between justice and JCC performance, JCC usefulness and partnership; and the relationship between trust and partnership. Findings from the qualitative analysis of the two cases illustrate that employee and management representatives rely on different elements of trustworthiness to assess the other party. Furthermore, different dimensions of justice are shown to be more salient in different stages of the JCC's operation. Specifically, during the early stages of the JCC process (pre-voice history, design, preparations, and first meeting) employee representatives relied on ability, benevolence and integrity and procedural and interactional justice to form expectations about the JCC's role. During the last stage of the JCC process (subsequent meetings), employee representatives relied more on their evaluation of management's integrity and 'sharing and delegating control', distributive and procedural justice when forming their trust and justice perceptions. Management, on the other hand, relied heavily throughout the process on employee representatives' ability and less so on their integrity and benevolence. It is also demonstrated that management were not substantially concerned with justice dimensions. Additionally, expectations about the JCC's purpose and the degree of risk the Decision Making Teams (DMTs) are willing to take when deciding whether or not to consult with the JCC are found to be influential.

This thesis proposes several future directions for JCC research and practical implications for practitioners are discussed in light of the importance of trust and justice in forming JCC effectiveness perceptions.

*Keywords:* JCC effectiveness, organisational justice, trust, industrial relations climate.

# CONTENTS

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<b>ABSTRACT</b>	<b>1</b>
<b>CONTENTS</b>	<b>2</b>
<b>LIST OF TABLES</b>	<b>7</b>
<b>LIST OF FIGURES</b>	<b>8</b>
<b>STATEMENT OF COPYRIGHT</b>	<b>10</b>
<b>ACKNOWLEDGMENTS</b>	<b>11</b>
<b>1. INTRODUCTION</b>	<b>12</b>
INTRODUCTION	12
RESEARCH ON JOINT CONSULTATIVE COMMITTEES	12
RESEARCH FOCUS AND OVERVIEW	13
CONTRIBUTION	14
THESIS OUTLINE	16
<b>2. JOINT CONSULTATION</b>	<b>17</b>
INTRODUCTION	17
EMPLOYEE VOICE	17
JOINT CONSULTATION	21
THE EU DIRECTIVE (EUD) ON INFORMATION AND CONSULTATION	22
THE RELATIONSHIPS IN JOINT CONSULTATION	25
<i>PRE-VOICE HISTORY (T1)</i>	27
<i>DESIGN (T2)</i>	27
<i>PREPARATIONS PRIOR TO THE FIRST MEETING (T3)</i>	28
<i>THE FIRST MEETING (T4)</i>	28
<i>SUBSEQUENT MEETINGS (T5)</i>	29
DYNAMICS AND PROCESSES OF JOINT CONSULTATION	29
JCC EFFECTIVENESS	31
METHODOLOGY	34
SUMMARY	38
<b>3. ORGANISATIONAL JUSTICE</b>	<b>39</b>
INTRODUCTION	39
JUSTICE THEORIES	39
DEFINING ORGANISATIONAL JUSTICE	43
DISTRIBUTIVE JUSTICE	43
PROCEDURAL JUSTICE	44
INTERACTIONAL JUSTICE	45
INTERACTIONS AMONG THE FOUR JUSTICE DIMENSIONS	48
OVERALL JUSTICE	49

JUSTICE WITHIN ORGANISATIONAL SETTINGS	49
JUSTICE AND JCCs	50
SUMMARY	51
<b>4. TRUST</b>	<b>53</b>
INTRODUCTION	53
DEFINING TRUST	53
FACTORS OF TRUSTWORTHINESS	54
TRUST DEVELOPMENT	56
BEHAVIOURAL TRADITION	56
PSYCHOLOGICAL TRADITION	57
THE ROLE OF TRUST WITHIN ORGANISATIONAL SETTINGS	62
TRUST AND JCCs	64
SUMMARY	67
<b>5. INDUSTRIAL RELATIONS CLIMATE</b>	<b>68</b>
INTRODUCTION	68
DEFINING IR CLIMATE	68
IR CLIMATE UTILITY	69
IR CLIMATE AS A MODERATOR	71
SUMMARY	72
<b>6. RESEARCH METHODOLOGY</b>	<b>73</b>
INTRODUCTION	73
RESEARCH PHILOSOPHY	73
EPISTEMOLOGY	73
ONTOLOGY	76
RESEARCH PARADIGMS	77
PRAGMATISM	78
RATIONALE FOR ADOPTING A CASE STUDY STRATEGY	80
SELECTING CASE STUDIES	81
GAINING ACCESS	82
DATA COLLECTION TECHNIQUES	83
INTERVIEWS	83
OBSERVATIONS	91
SURVEYS	93
JCC DOCUMENTS	99
ETHICAL CONSIDERATIONS	99
DATA ANALYSIS	101
INTERVIEWS, OBSERVATIONS AND DOCUMENT ANALYSIS	101
SURVEY ANALYSIS	106
SUMMARY	107
<b>7. CONSULT (UK) - NICF</b>	<b>108</b>
INTRODUCTION	108
COMPANY PROFILE	109

THE FORUM	109
PRE-VOICE HISTORY	109
DECISION TO CREATE THE NICF AND INITIAL DESIGN	110
A 'TICK-BOX EXERCISE'?	112
REVITALISATION	113
THE 'NEW' NICF	116
DESIGN	116
PREPARATIONS	117
STRUCTURE OF MEETINGS	119
FIRST MEETING	119
SUBSEQUENT MEETINGS – THE TRANSFORMATION INTO A 'TALKING-SHOP'	122
MAY 2009 MEETING	122
AUGUST 2009 MEETING	124
EVENTS BETWEEN THE AUGUST 2009 AND NOVEMBER 2009 MEETING	126
NOVEMBER 2009 MEETING	127
APRIL 2010 MEETING	131
SEPTEMBER 2010 MEETING	133
EVENTS BETWEEN THE SEPTEMBER 2010 AND MARCH 2011 MEETING – THE NICF SEEN AS A 'RUBBER-STAMP' EXERCISE...	135
MARCH 2011 MEETING – RENEWED EXPECTATIONS...A GLIMPSE OF HOPE?	137
ANALYSIS	140
TRUST	140
PRE-VOICE HISTORY	140
DESIGN	143
PREPARATIONS	144
FIRST MEETING	145
SUBSEQUENT MEETINGS	146
THE EMPLOYEE REPRESENTATIVES' PERSPECTIVE: AUGUST 2009 – MARCH 2011	147
THE MANAGEMENT REPRESENTATIVES' PERSPECTIVE: AUGUST 2009 – MARCH 2011	153
THE CHAIR	157
SUMMARY	160
JUSTICE	161
PRE-VOICE HISTORY	161
DESIGN	163
PREPARATIONS	165
FIRST MEETING	165
SUBSEQUENT MEETINGS	166
THE EMPLOYEE REPRESENTATIVES' PERSPECTIVE: AUGUST 2009 – MARCH 2011	168
THE MANAGEMENT REPRESENTATIVES' PERSPECTIVE: AUGUST 2009 – MARCH 2011	172
SUMMARY	177
GENERAL REMARKS	178
CHAPTER SUMMARY	184
<b>8. HOUSING TRUST (HT) – ECC</b>	<b>186</b>
INTRODUCTION	186
COMPANY PROFILE	186

THE FORUM	188
PRE-VOICE HISTORY	188
DECISION TO CREATE AN EMPLOYEE CONSULTATIVE COMMITTEE (ECC)	190
DESIGN	191
STRUCTURE OF MEETINGS	192
PREPARATIONS	193
FIRST MEETING	196
SUBSEQUENT MEETINGS	198
ANALYSIS	214
TRUST	214
PRE-VOICE HISTORY	214
DESIGN	216
PREPARATIONS	218
FIRST MEETING	218
SUBSEQUENT MEETINGS	219
THE EMPLOYEE REPRESENTATIVES' PERSPECTIVE: 27 <sup>TH</sup> JULY 2009 – 15 SEPTEMBER 2010	228
THE MANAGEMENT REPRESENTATIVES' PERSPECTIVE: 27 <sup>TH</sup> JULY 2009 – 15 SEPTEMBER 2010	231
SUMMARY	235
JUSTICE	237
PRE-VOICE HISTORY	237
DESIGN	238
PREPARATIONS	240
FIRST MEETING	241
SUBSEQUENT MEETINGS	241
THE EMPLOYEE REPRESENTATIVES PERSPECTIVE: 27 <sup>TH</sup> JULY 2009 – 15 SEPTEMBER 2010	244
THE MANAGEMENT REPRESENTATIVES PERSPECTIVE: 27 <sup>TH</sup> JULY 2009 – 15 SEPTEMBER 2010	249
SUMMARY	253
GENERAL REMARKS	254
CHAPTER SUMMARY	260
<b>9. ICC EFFECTIVENESS</b>	<b>262</b>
INTRODUCTION	262
FINDINGS	262
DISCUSSION	268
SUMMARY	271
<b>10. DISCUSSION</b>	<b>272</b>
INTRODUCTION	272
THE FIVE STAGES PROCESS	272
PRE-VOICE HISTORY	272
DESIGN	274
PREPARATIONS	277
FIRST MEETING	278
SUBSEQUENT MEETINGS	280
EXPECTATIONS	283
LACK OF CONSULTATION	285



TRUST	285
JUSTICE	287
JCC RELATIONSHIPS	288
THE CHAIR	289
SUMMARY	291
<b>11. CONCLUSION</b>	<b>292</b>
INTRODUCTION	292
CONTRIBUTION	292
LIMITATIONS	295
RECOMMENDATIONS FOR FUTURE RESEARCH	296
RECOMMENDATIONS FOR PRACTITIONERS	297
<b>BIBLIOGRAPHY</b>	<b>299</b>
<b>APPENDIX</b>	<b>315</b>

## LIST OF TABLES

---

Table 2.1: The meaning and articulation of employee voice.....	19
Table 2.2: summary and limitations of chosen research methods.....	35
Table 6.1: First round interview template.....	85
Table 6.2: Second round interview template.....	88
Table 6.3: Justice scale.....	95
Table 6.4: Trust scale.....	96
Table 6.5: Industrial relations climate scale.....	96
Table 6.6: Outcome satisfaction scale.....	98
Table 6.7: Major coding categories and definitions.....	104
Table 7.1: February 2009 agenda items.....	120
Table 7.2: May 2009 agenda items.....	123
Table 7.3: August 2009 agenda items.....	125
Table 7.4: November 2009 agenda items.....	130
Table 7.5: April 2010 agenda items.....	132
Table 7.6: September 2010 agenda items.....	134
Table 7.7: March 2011 agenda items.....	138
Table 7.8: Scale items progression through time.....	179
Table 7.9: Means, Standard Deviations, Reliabilities and Correlations Among the Study Variables.....	181
Table 7.10: Sample quotes and coding frequencies of the strongest influences for the forum's effectiveness.....	183
Table 8.1: 13 <sup>th</sup> December 2006 – 12 <sup>th</sup> November 2007 agenda items (AH = ad hoc).....	194
Table 8.2: 11 <sup>th</sup> January 2008 agenda items.....	197
Table 8.3: 22 <sup>nd</sup> February 2008 – 7 <sup>th</sup> July 2009 agenda items (AH = ad hoc).....	199
Table 8.4: 27 <sup>th</sup> July 2009 – 15 <sup>th</sup> September 2010 agenda items (AH = ad hoc).....	205
Table 8.5: Scale items progression over time.....	255
Table 8.6: Means, Standard Deviations, Reliabilities and Correlations Among the Study Variables.....	257
Table 8.7: Sample quotes and coding frequencies of the strongest influences for the forum's effectiveness.....	259
Table 9.1: Means, standard deviations, reliabilities, and correlations among the study variables.....	263
Table 9.2: Results of Direct and Moderated Regression (IR climate) for the Effects of Justice and Trust.....	265

## LIST OF FIGURES

---

Figure 2.1: The six phases of the JCC process .....	27
Figure 4.1: Integrating Trust and Distrust: Alternative Social Realities.....	59
Figure 5.1: Conceptual model of the moderation effects.....	72
Figure 6.1: Descriptive coding in Nvivo .....	102
Figure 6.2: Topic coding in Nvivo .....	103
Figure 6.3: Analytical coding in Nvivo .....	105
Figure 6.4: Example of topic and analytical coding.....	106
Figure 7.1: the NICF process (Adapted from Dietz and Fortin, 2007).....	115
Figure 7.2: Employee Representatives' trust in Management Representatives over time.....	150
Figure.7.3: Employee Representatives' Reliance on Management Representatives over time.....	150
Figure 7.4: Employee Representatives' Disclosure in Management Representatives over time.....	151
Figure 7.5: Employee representatives' perceptions of trust and the NICF's performance over time.....	152
Figure 7.6: Management Representatives' trust in Employee Representatives over time.....	153
Figure 7.7: Management Representatives' Reliance on Employee Representatives over time.....	155
Figure 7.8: Management Representatives' Disclosure in Employee Representatives over time.....	155
Figure 7.9: Management representatives' perceptions of trust and the NICF's performance over time.....	157
Figure 7.10: Employee representatives' perception of Distributive Justice (DJ) over time.....	168
Figure 7.11: Employee representatives' perception of Procedural Justice (PJ) over time.....	169
Figure 7.12: Employee representatives' perception of Informational Justice (IFJ) over time.....	169
Figure 7.13: Employee representatives' perception of Interpersonal Justice (IPJ) over time.....	170
Figure 7.14: Employee representatives' perceptions of overall justice and the NICF performance over time.....	172
Figure 7.15: Management representatives' perceptions of Distributive Justice (DJ) over time.....	173
Figure 7.16: Management representatives' perceptions of Procedural Justice (PJ) over time.....	173
Figure 7.17: Management representatives' perceptions of Informational Justice (IFJ) over time.....	174
Figure 7.18: Management representatives' perceptions of Interpersonal Justice (IPJ) over time.....	174
Figure 7.19: Management representatives' perceptions of overall justice and the NICF performance over time.....	176
Figure 8.1: Employee Representatives' trust in Management Representatives through time .....	228
Figure 8.2: Employee Representatives' Reliance on Management Representatives over time.....	229
Figure 8.3: Employee Representatives' Disclosure to Management Representatives over time.....	230
Figure 8.4: Employee representatives' perceptions of trust and the ECC's performance over time.....	231
Figure 8.5: Management Representatives' trust in Employee Representatives over time.....	232
Figure 8.6: Management Representatives' Reliance on Employee Representatives over time.....	232
Figure 8.7: Management Representatives' Disclosure in Employee Representatives over time.....	234
Figure 8.8: Management representatives' perceptions of trust and the NICF's performance over time.....	235
Figure 8.9: Employee representatives' perception of Distributive Justice (DJ) over time.....	244
Figure 8.10: Employee representatives' perception of Procedural Justice (PJ) over time.....	245
Figure 8.11: Employee representatives' perception of Informational Justice (IFJ) over time.....	245
Figure 8.12: Employee representatives' perception of Interpersonal Justice (IPJ) over time.....	246
Figure 8.13: Employee representatives' perceptions of overall justice and the ECC's performance over time.....	247

Figure 8.14: Management representatives' perceptions of Distributive Justice (DJ) over time.....	249
Figure 8.15: Management representatives' perceptions of Procedural Justice (PJ) over time.....	250
Figure 8.16: Management representatives' perceptions of Informational Justice (IFJ) over time.....	250
Figure 8.17: Management representatives' perceptions of Interpersonal Justice (IPJ) over time.....	251
Figure 8.18: Management representatives' perceptions of overall justice and the ECC's performance over time.....	252
Figure 9.1: Moderating effect of IR climate on the relationship between organisational justice and JCC performance.....	266
Figure 9.2: Moderating effect of IR climate on the relationship between organisational justice and JCC usefulness.....	267
Figure 9.3: Moderating effect of IR climate on the relationship between organisational justice and partnership.....	267
Figure 9.4: Moderating effect of IR climate on the relationship between trust and partnership. ....	268
Figure 10.1: Modified Dietz and Fortin (2007) model.....	283
Figure 10.2: Relationships in a JCC.....	289

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## **ACKNOWLEDGMENTS**

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With a deep sense of gratitude, I wish to express my appreciation to my supervisors, Professor Tom Redman and Dr Graham Dietz, for their time, patience, support, encouragement and advice throughout my doctoral thesis. Their guidance was essential to the completion of this thesis. I am thankful for all they have done.

I am also very grateful to all JCC participants at the two organisations who co-operated with the project.

Special thanks to DUBS' Doctoral Office for their constant help and support. Thanks also to all DUBS staff, academic and administrative. You all contributed to the creation of a friendly, warm and supportive environment and made Durham University Business School more than just a place to study.

Finally, I would like to express my warmest thanks and gratitude to my family and friends. Thank you for your constant love and support throughout my studies. I couldn't have done it without you. Thank you!

# 1. Introduction

---

## INTRODUCTION

Joint consultative committees (JCCs) are one of the most common forms of representative participation in the UK and other English-speaking countries (Heller et al., 1998) and as such have attracted scholars' research interest on a number of issues ranging from their impact on the organisation to debates about their usefulness as an employee voice mechanism. Interest in JCCs in the UK has recently been boosted by the introduction of further legal regulation via the *Information and Consultation of Employees (ICE) Regulations 2004* based on the EU's 2002 Directive. The early research on the impact of the ICE Regulations suggests that consultation practice is still "evolving" (Hall et al., 2007; Hall et al., 2011) but senior managers are engaging seriously with the regulations and interest in JCCs has been enhanced.

Despite a relatively longstanding and developed literature on joint consultation we know rather less about what makes a JCC effective, in part because little attention has been paid to the key processes that make such bodies more or less successful. In this thesis I investigate the roles of trust, justice and the industrial relations climate (IR climate) in helping explain the effectiveness of JCCs. In doing so, I seek to address some of the as-yet-unanswered questions from the JCC literature. For example, those posed by Kessler and Purcell (1996: 680), namely "What makes some joint bodies successful while others are less so?" and Fenton-O'Creevy's (1998: 68) question "What makes the difference between effective employee involvement programmes and those that fail to achieve their objectives?"

## RESEARCH ON JOINT CONSULTATIVE COMMITTEES

Though literature on joint consultation can be considered extensive, little research has actually considered investigating factors that have already been recognised, in academic papers, as important for the effectiveness of such schemes. Additionally, a common conceptualisation of JCC effectiveness is absent from the literature so far.

It is widely accepted in the literature that the effectiveness of such schemes is greatly dependent on the way in which workforce and management interacts (Sako, 1998) and the nature of that relationship (Beaumont and Hunter, 2005). Marchington (1994) argues that JCC participants' attitudes and behaviours are salient determinants of the consultation process. These attitudes and behaviours will be determined by the nature of the relationship and interactions between the participants. Managerial

attitudes are often seen as important to the existence of highly developed employee participation practices (Millward et al., 2000; Wood and Albanese, 1995; Wood and Menezes, 1998), suggesting that high level trust relationships between management and employees underpin such practices (Gollan and Wilkinson, 2007). Beaumont and Hunter (2007) have been concerned with the impact of inter-party differences and relationships (identifying trust as one important element), events and decisions on the consultation process and how fragile this is when change occurs. Dietz and Fortin (2007) highlight that JCCs are characterised by highly complex exchange relationships and argue that trust and justice provide a comprehensive framework to investigate and understand these relationships, and can predict the JCC's progress over time. In addition, as Dietz et al. (2010: 259) state, "the quality of the interpersonal dynamics between the managerial participants and their staff counterparts directly affects the experience of both parties and the outcomes of the participation. It can be seen as the 'crucible' within which employee involvement and participation schemes thrive or fail".

Hyman (1997) argues that for the employee voice to be effective it must have efficacy, legitimacy and autonomy, however these are very broad and general terms. It is relatively easy to assess legitimacy and autonomy, but it is far more difficult to assess a JCC's efficacy. This would involve identifying and assessing important JCC outcomes. As such, although there is extended literature on joint consultation arrangements, there is no widely accepted criteria of what constitutes JCC effectiveness (Hall et al., 2007a), what important JCC outcomes are and what factors, and in what way, influence those outcomes.

Several attempts have been made in the literature to assess the effectiveness of joint consultation, using mostly qualitative approaches and analysis of secondary data (Bailey, 2009; Haynes et al., 2005; Holland et al., 2009; Markey, 2007; Pyman et al., 2006). These studies examine several different factors that influence effectiveness perceptions, such as influence in decision-making and training. However, there is no in-depth explanation of why this happens. For example, why is there no influence in decision-making in these committees? What is the underlying factor that makes management unwilling to include JCCs in the decision-making process? This thesis will argue that trust and justice can serve as underlying factors that can provide an explanation to questions such as the above.

## **RESEARCH FOCUS AND OVERVIEW**

The focus of this research is to explore the impact of trust and justice on the relationships between JCC participants and on their perceptions of its effectiveness. In doing so I will use the only theoretical model that utilises trust and justice theories to analyse the relationships and processes involved in the operation of a JCC; Dietz and Fortin's (2007) six-phases model. The proposed model suggests that



different elements of trust and justice will be more important at the different stages of the JCC process in informing and influencing JCC participants' perceptions of its effectiveness. As this model is a theoretical one, and has not been tested yet, this thesis will also examine its applicability and possible further modification and improvement. Trust and justice theories were chosen because of their widely recognised effects on behavioural, attitudinal and organisational outcomes.

Additionally, industrial relations climate (IR climate) has been found to provide explanatory ability in predicting positive organisational and industrial relations outcomes (Dastmalchian, 2008). IR climate has been useful when trying to understand the complexities, process and outcomes of workplace industrial relations (Dastmalchian, 2008). Research evidence finds that co-operative IR climates contribute to organisational performance, in terms of productivity, service and quality, and higher levels of union loyalty and organisational commitment (e.g. Wagar, 1997; Deery and Iverson, 2005). In contrast, Deery et al. (1994), in a study of Australian public sector workers, found a negative relationship between IR climate and union commitment. In a more recent study, Snape and Redman (2012), also found a negative association between IR climate and union commitment. As such IR climate can prove to be a critical factor in the understanding of the workings of joint consultative committees and for this reason, its role will also be examined.

In sum, the objectives of this research are:

- To identify the importance of trust and justice in shaping the relationships between JCC participants.
- To understand the role of trust and justice in forming participants' perceptions of the JCC's effectiveness.

In addition to the in-depth qualitative analysis utilised to accomplish these objectives, hypotheses are proposed and tested, which investigate the relationship between justice, trust, and several JCC outcomes, and the effect of IR climate on those relationships.

## **CONTRIBUTION**

Drawing on a two-year longitudinal study of the participants of JCCs in two organizations (a Housing Association and a Multi-national Professional Services firm) that introduced JCCs as a result of the ICE Regulations, I contribute to the literature on JCCs in three ways in this thesis. First, although there are now well-developed literatures on the impact of both trust and justice on organisational performance in a wide range of contexts, this is the first study to examine the impacts of trust and justice in a JCC

context. Second, I examine important JCC outcomes such as the JCC participants' satisfaction with JCC outcomes; perceptions about the usefulness of the JCC; the performance of the JCC; and the impact on partnership working in the organization. Third, in order to provide a more complete understanding of the role of trust and justice, I examine under what conditions trust and justice have their greatest impacts on JCC outcomes by examining how the industrial relations climate moderates the relationship between trust, justice and JCC outcomes.

Findings from the qualitative analysis of the two cases illustrate that employee and management representatives rely on different elements of trustworthiness to assess the other party's trustworthiness. Furthermore, different dimensions of justice are shown to be more salient in different stages of the JCC's operation. Specifically, during the first four stages (pre-voice history, design, preparations, and first meeting) employee representatives relied on ability, benevolence and integrity and procedural and interactional justice to form expectations about the JCC's role. During the last stage of the JCC process (subsequent meetings), employee representatives relied more on their evaluation of management's integrity and 'sharing and delegating control', distributive and procedural justice to shape their trust and justice perceptions. Management, on the other hand, relied heavily throughout the process on employee representatives' ability and less so on their integrity and benevolence. It is also demonstrated that management were not substantially concerned with justice dimensions. Additionally, expectations about the JCC's purpose and the degree of risk the Decision Making Teams (DMTs) are willing to take when deciding whether or not to consult with the JCC are found to be influential. Results from statistical analysis highlight a positive significant relationship between trust, justice and JCC outcomes. Moreover, industrial relations climate is found to moderate the relationship between justice and JCC performance, JCC usefulness and partnership; and the relationship between trust and partnership. This research is important as it provides a new way to help us understand how the relationships between JCC delegates are formed and develop over time, and how these relationships affect JCC effectiveness perceptions of its participants. It also provides a detailed explanation of the underlying factors that influence management's decision to consult (or not) with the JCC on strategic issues.

This research is also useful to practitioners involved with the operation of JCCs. By understanding the impacts of trust and justice on the JCC's operation, practitioners can design and operate more successful JCCs. With an understanding of what and how elements of trust and justice affect the process, practitioners can enhance trust and justice perceptions, thus creating stronger relationships between JCC participants.

## **THESIS OUTLINE**

The rest of this thesis is structured in ten chapters.

Chapter 2 introduces joint consultation. A review of the literature on joint consultation and issues researchers have examined are introduced. I proceed to demonstrate existing gaps in the joint consultation literature, namely underlying factors that influence its effectiveness and JCC outcomes that define JCC effectiveness and in so doing the main aim of this thesis is introduced.

Chapter 3 introduces organisational justice. A review of its different theories and dimensions is given along with an examination of its likely important role within a JCC context.

Chapter 4 introduces organisational trust. Similarly to chapter 3, a review of the organisational trust literature is given before explaining the potentially important role it can play within a JCC context.

Chapter 5 introduces IR climate and its impact on workplaces before focusing on its possible impact on relationships within a JCC.

Chapter 6 outlines the methodological approach taken in this research. A justification of the choice of epistemology and research paradigm is given, along with a detailed description of the research design, data collection and analysis.

Chapters 7 and 8 present findings from the two cases. Trust and justice concepts are examined in relation to perceptions of JCC effectiveness.

Chapter 9 presents statistical findings from both committees. The relationship between trust, justice and JCC outcomes, and the moderating role of IR climate are examined and hypotheses are tested. A discussion of the findings is also provided.

Chapter 10 presents a detailed discussion of the implications of the findings from the two committees. It examines how trust and justice perceptions affect effectiveness perceptions among JCC participants and identifies common themes that emerged from both committees.

Chapter 11 concludes this thesis. Contributions and limitations of this research are discussed. Recommendations for future research and for practitioners are also given.

## 2. Joint Consultation

---

### INTRODUCTION

The debate on the significance, scale and rationale of joint consultation in the UK has continued unabated throughout the last few decades (Broad, 1994; MacInnes, 1985; Marchington, 1994). This interest has also been boosted recently by the introduction of UK legal regulations in 2005 of the EU's Information and Consultation Directive, which gives employees the right to be informed and consulted about matters in the business for which they work (DTI, 2005). The Directive was widely seen by academics, practitioners and policy-makers as particularly significant for the UK, since, it [the Directive] established, for the first time, a comprehensive statutory framework for information and consultation (Hall et al., 2011). Additionally, the fact that the regulation has since spread to smaller companies in April 2008 (companies employing more than 50 people) means that even more employees and managers are affected, enhancing the research interest in the subject since its impact is now even greater. Dietz and Fortin (2007) believe that the consultation will take a form that will resemble the works councils, Joint Consultative Committees (JCC) style.

Joint consultative committees are one of the most common forms of representative participation in the UK and other English-speaking countries (Heller et al., 1998) and as such have attracted scholars' research interest on a number of issues ranging from their impact on the organisation to debates about their usefulness as employee voice mechanisms. Though literature on joint consultation can be considered extensive, little research has actually investigated factors that have already been recognised, in academic papers, as important for the effectiveness of such schemes. Additionally, there is no common conceptualisation of JCC effectiveness in the literature so far.

This chapter proceeds as follows. First an overview of employee voice and involvement is presented. Next, I focus on the joint consultation literature, the relationships identified in joint consultation, the dynamics and processes, the paucity of literature concerning JCC effectiveness, and lastly, an overview of the chosen methodology from important articles within the joint consultation literature. This chapter then concludes with a discussion of the gap identified in the joint consultation literature.

### EMPLOYEE VOICE

The phrases 'employee voice', 'employee involvement' and 'employee participation' can be seen as umbrella terms that cover a wide range of definitions and practices (Morgan and Zeffane, 2003; Strauss,

2006), though with some ambiguity (Bacon and Storey, 2000; Dundon et al., 2005). As Glew et al. (1995) point out, despite the attention that participation attracts in the literature, “a well-developed and widely-accepted definition of participation has eluded researchers” (Glew et al., 1995: 399). The debate over definitions continues even today, with researchers still disagreeing on basic definitions, and failing to recognise schemes that fall under their already defined categories (see Dietz et al., 2010).

Since the purpose of this chapter is not to contribute to the debate over definitions, I will proceed to identifying the ones that are useful to this research and that recognise joint consultation as a participation scheme. Focusing on the role of those involved in the process and trying to cover a wide range of schemes, Glew et al. (1995: 402) define participation as;

*“a conscious and intended effort by individuals at a higher level in an organization to provide visible extra-role or role-expanding opportunities for individuals or groups at a lower level in the organization to have a greater voice in one or more areas of organizational performance.”*

A definition that is also wide in scope is the one proposed by Heller et al. (1998: 15), where participation is “a process that allows employees to exercise some influence over their work and the conditions under which they work”. Strauss (2006), accepts the above definitions but comments that what is important is the actual influence and the feeling of influence a participation arrangement might create. Drawn from Strauss’ distinction and with the intent to exclude broader programs that extend beyond employee participation, Dietz et al. (2010: 247) view employee involvement and participation (EIP) as;

*“employer-sanctioned schemes that extend to employee collectivities a ‘voice’ in organisational decision-making in a manner that allows employees to exercise significant influence over the processes and outcomes of the decision-making”.*

McCabe and Lewin (1992), in their examination of employee voice, include two broad types. First it is the expression, by employees to management, of grievances concerning work issues and, second is any kind of employee participation in the decision-making processes of the organisation (McCabe and Lewin, 1992). Within the same scope, Millward et al. (2000) envisioned voice as comprising three distinctive channels: 1) via representation, recognition and union membership; 2) via participation mechanisms (e.g. joint consultative committees) and 3) via direct employee involvement. Dundon et al. (2004: 1152-3) propose an analytical framework through which voice can be articulated via four principles (Table 2.1).

**Table 2.1:** The meaning and articulation of employee voice.

Voice as:	Purpose and articulation of voice	Mechanisms and practices for voice	Range of outcomes
Articulation of individual dissatisfaction	To rectify a problem with management or prevent deterioration in relations.	Complaint to line manager. Grievance procedure. Speak-up programme.	Exit – loyalty
Expression of collective organisation	To provide a countervailing source of power to management.	Union recognition. Collective bargaining. Industrial action.	Partnership – de-recognition
Contribution to management decision-making	To seek improvements in work organization, quality and productivity.	Upward problem-solving groups. Quality circles. Suggestion schemes. Attitude surveys. Self-managed teams.	Identity and commitment – disillusionment and apathy. Improved performance.
Demonstration of mutuality and co-operative relations	To achieve long-term viability for the organization and its employees.	Partnership agreements. Joint consultative committees. Works councils.	Significant influence over management – marginalization and sweetheart deals.

**Source:** Dundon, T., Wilkinson, A., Marchington, M. and Ackers, P. (2004).

For the purposes of this thesis, the Dietz et al. (2010) definition of EIP will be used because of the importance the authors put on employee influence on decision-making, which I find is an important element for the effectiveness of JCCs. Additionally, concerning employee voice, the Dundon et al. (2004) analytical framework will be utilised because they identify JCCs as a mechanism for voice, when voice is seen as a demonstration of co-operative relations, which has been identified by authors as an important factor for the effectiveness of JCCs.

An involvement system's rationale with five dimensions has been identified by Black and Gregersen (1997: 860-2). First, there is structure, which could be formal or informal depending on whether it is based on rules and procedures or open issues and decisions. Second is the form of involvement, which ranges from direct (employees are immediately involved in the decisions that affect them) to indirect (some form of representative function). The third dimension has to do with types of decisions considered (work and task design, working conditions, strategy) and investment issues. Fourth is the degree of involvement, which can be seen as a continuum from no information at all, or some information, through to expression of opinion, consultation and employee veto, to full employee decision making. Fifth is the decision process which includes problem identification, generating alternatives, selection of solutions, planning implementation and evaluation. Drawn from the above,

Morgan and Zeffane (2003: 60), in their examination of employee involvement, change and trust, believe that “key elements of involvement are the distribution of power and the scope of decision making” and go on to suggest that they are conceptually linked – “for without the requisite power to implement decisions (manifest in the degree, structure and form of involvement), the scope of decision making (decision issues and processes) will generally be limited” (Morgan and Zeffane, 2003: 60).

Different types of employee involvement initiatives include (Marchington et al., 1992):

- Downward communication; transmission of information from top levels of the organisation to bottom for better acceptance of management decisions (i.e. newsletter or team briefing).
- Upward problem-solving; a range of techniques which utilise employees’ ideas and knowledge for the purpose of resolving problems and generating ideas (i.e. attitude surveys) (also see Marchington and Wilkinson, 2002).
- Representative consultation; a way to inform and consult the workforce and have an important role in the decision making process. The most common example of this type of employee involvement is joint consultative committees.
- Financial participation; a technique which aims to commit employees to the organisation by providing them with a financial stake in their organisation (also see Farnham, 1997). Such schemes are profit sharing and share ownership.

Dietz et al. (2010) identify the following organisational factors as affecting the process of designing and developing an employee involvement and participation scheme: size, strategy, environment complexity, customer service orientation, technology, workforce profile, task complexity, ‘participation climate’, degree of ‘embeddedness’; and individual factors: dispositions, motivations, capacities, self-interest needs, ideology, managers’ trust in employees, employees’ self-selection decisions, perceived self- and group-efficacy and perceived impact on job enrichment.

The following section focuses in more detail on joint consultation in terms of its definition, exchange relationships, dynamics and processes, effectiveness issues and research methodologies most commonly used in this field. This is done to identify and demonstrate current gaps in joint consultation research.

## JOINT CONSULTATION

A number of terms have been used in the literature to describe the representative consultation type of employee participation such as works councils, staff forums or Joint Consultative Committees (JCCs) (Dietz and Fortin, 2007). Rogers and Streeck (1995: 6) define works councils as “institutionalized bodies for representative communication between a single employer (‘management’) and the employees (‘workforce’) of a single plant or enterprise (‘workplace’)”. Because of the variation in the forms of JCCs they also offer the following elaborations (Rogers and Streeck, 1995: 6-10):

1. Works councils represent all the employees at a given workplace, whether they are union members or not.
2. Works councils represent the workforce of a specific plant or enterprise and not of an industrial sector or territorial area.
3. Works councils are not ‘company unions’.
4. As representative institutions, they differ from management policies that encourage individual employees to express views and ideas, as well as from forms that are introduced to increase employee involvement through decentralization and expansion of competence and responsibility in production tasks.
5. Representative communication between employers and their workforces may be of all possible kinds and may originate from either side.
6. Works councils may or may not have legal status.
7. Their structures vary across and within countries.
8. Works councils are not the same as employee representation on company boards of directors.

As a system of employee participation, joint consultation has a long history in British industrial relations (Bate and Murphy, 1981), and as such, it carries a long tradition of discussions and debates over its usefulness and roles it can perform. MacInnes (1985) provided a useful starting point for considering how consultation operates over time. By focusing on past evidence on joint consultation he came to the conclusion that consultation had not changed its role and that it neither diminishes nor is it at a state of renaissance, but follows a circular pattern. He believes that joint consultation is unlikely to form a basis that is viable for the development of employee participation in the UK and is and will remain marginal in relation to collective bargaining and management decision-making. On the contrary, Marchington and Armstrong (1986) and Marchington (1987) criticise both models of joint consultation; revitalisation and marginality, commenting that both models are not adequate to provide generalised explanations of the consultation processes, but they are correct when examined within specific contextual conditions. Marchington (1987) proposes a third model, the complementarity model, where consultation and collective bargaining are seen as complementary rather than competitors.



Since then, the research debate has revolved around whether joint consultation is a threat to unions (Barrett and Heery, 1995; Brewster et al., 2007; Samuel, 2007) and a barrier to the development of employee participation (Bate and Murphy, 1981) or whether it can be used to the unions' advantage, as an opportunity to strengthen their influence (Bartram and Cregan, 2003; Cooke, 1990; Veale, 2005). Though a direct linkage of adversarial relationships between unions and joint consultation has not been found, there is evidence that the relationship depends on the organisational context in which consultation will be introduced (Samuel, 2007), with managerial fears about strengthening employee representation (Lloyd and Newell, 2001), and union fears that non-union representation could be legitimised, undermining union recognition or hindering its establishment (Gollan and Wilkinson, 2007a).

Nevertheless, consultation arrangements can exist outside unions as well and literature that is focused on the role of joint consultation without a union presence is available. One of the issues that concern researchers is whether the implementation of an information and consultation arrangement in a non-union environment is effective in representing employees' needs (Glover, 2001; Gollan, 2001; Haynes et al., 2005; Markey, 2007). While there is a recognition of the importance of such arrangements for filling a potential 'representation gap' (Markey, 2007: 188), evidence is inconclusive and limited when exploring the effectiveness of joint consultation relative to other alternatives (Haynes et al., 2005). Nonetheless, literature indicates that consultative committees in such environments are not enduring institutions (Gollan, 2001) due to problems of developing consultation mechanisms that are effective (Glover, 2001). These problems most commonly emerge from weak labour-management interaction and power relationships between the parties (Gollan, 2001).

Storey argues that new times "bring new twists to long-standing problems, and the controversy surrounding how best – or even whether – to involve employees in organisational matters has now taken on some new forms" (Storey, 2005: 2). That 'new twist' for joint consultation is the EU's Information and Consultation of Employees (ICE) Directive, which is now in full effect in the UK.

### **The EU Directive (EUD) on Information and Consultation**

The EU Directive on information and consultation (hereafter, the EUD) that came in full effect in the UK in 2008 (gradually being introduced since 2005) has further enhanced research interest in joint consultation. This section will provide information about the EUD, based on information published from the Department of Trade and Industry (DTI, 2005). This is because any form of JCC that came into effect

after 2005 had to adhere to its regulations and guidelines. Hence, in order to do research in joint consultation, a better understanding of the EUD is necessary.

### *Overview of the EUD*

The purpose of the Directive was to give employees in organisations with 50 or more employees the right to be informed and consulted about issues in the business for which they work. It applies to all public and private undertakings in the UK that carry out an economic activity whether or not operating for profit.

The requirement to inform and consult employees has to be triggered by either a formal employee request for an Information and Consultation (I&C) arrangement, or by management choosing to start the process themselves. Although an agreement must include how the employer will inform and consult employees, the EUD lets them agree arrangements and structures tailored to the organisation's individual circumstances.

A negotiated agreement must:

- Set out the circumstances in which the employer will inform and consult their employees;
- Provide either for employee I&C representatives or for information and consultation directly with employees (or both);
- Be in writing and dated;
- Cover all the employees of the undertaking;
- Be signed by the employer; and
- Be approved by the employees.

More detailed issues such as methods, subject-matter, frequency and timing of these arrangements are left for the parties to agree. In this absence of clear guidelines on design and process, it is in the hands of the participants to design the I&C arrangement as they see fit. This will involve effective cooperation between the participants and this in turn will be something that will be dependent on the nature of the relationship between the JCC protagonists (a further review will be provided in the next section).

## *Key aspects*

The Directive sets out the broad areas of 'information', 'information and consultation' and 'information and consultation with a view to reaching agreement' in which employers must involve employees or their representatives.

Information on:

- The recent and probable development of the organisation's activities and economic situation, with the purpose of helping representatives understand the context in which decisions affecting work organisation, employment and employees' contractual relations are made.

Information and consultation on:

- The structure, situation and development of employment within the organisation and on any anticipatory measures envisaged where there is a threat to employment within the organisation.

Information and consultation with *a view to reaching agreement* on (my emphasis):

- Decisions likely to lead to substantial changes in work organisations or in contractual relations. These decisions include collective redundancies and business transfers.

In effect, the Directive does not warrant co-determination rights and instead places emphasis on consultation. According to the Directive, consultation means giving enough time and information to allow representatives to consider the matter and form a view, with *genuine and conscientious consideration* of that view by the employer (my emphasis). The employer has to meet representatives at a level of management relevant to the subject under discussion, and to give *a reasoned response* to any opinion they may give (my emphasis). However, employers are not obliged to follow the representatives' opinion.

In certain circumstances, employers may restrict information provided to representatives. This restriction can be based on confidentiality requirements, the legitimate interests of the organisation or when the disclosure of information would be prejudicial to, or seriously harm the functioning of the organisation.

### *Pre-existing arrangements*

An organisation that already has in place an I&C arrangement with its employees may be exempt from the process of negotiating a new arrangement if the pre-existing agreement is validated.

To be valid, a pre-existing arrangement must:

- Be in writing;
- Cover all the employees in the organisation;
- Set out how the employer will inform and consult the employees or their representatives; and
- Be approved by the employees.

## **THE RELATIONSHIPS IN JOINT CONSULTATION**

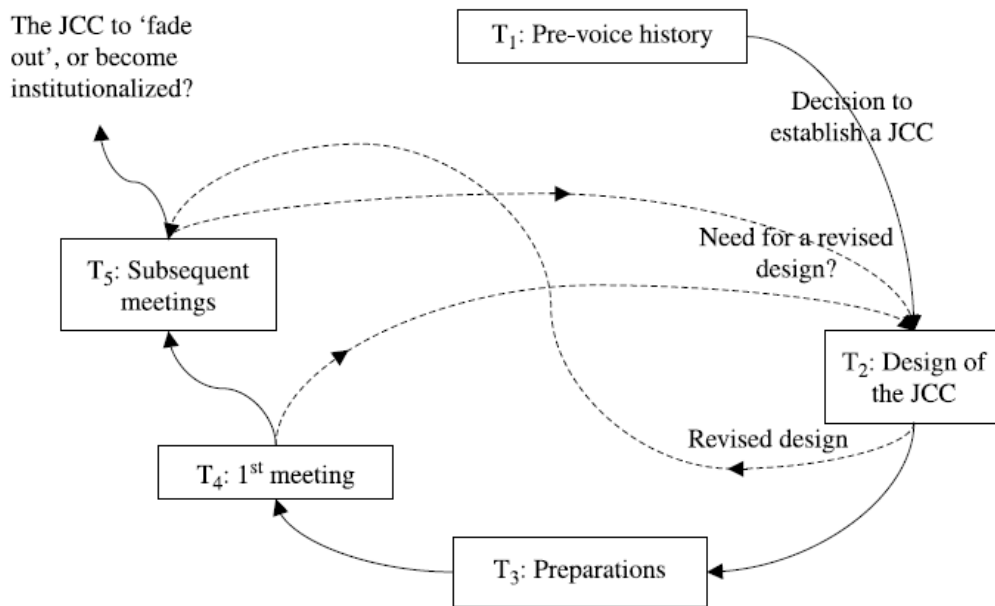
It is widely accepted in the literature that JCC effectiveness is greatly dependent on the way in which workforce and management interacts (Sako, 1998), the nature of that relationship (Beaumont and Hunter, 2005) and that “one of the most critical aspects of making information and consultation work is developing the necessary relationships between the managers and employee representatives” (CIPD, 2004: 50). In addition, as Dietz et al. (2010: 259) state, “the quality of the interpersonal dynamics between the managerial participants and their staff counterparts directly affects the experience of both parties and the outcomes of the participation. It can be seen as the ‘crucible’ within which EIP schemes thrive or fail”. Marchington (1994) argues that JCC participants’ attitudes and behaviours are salient determinants of the consultation process. These attitudes and behaviours will be determined by the nature of the relationship and interactions between the participants.

Blau’s (1964) exchange theory can be extremely useful when investigating relationships within a JCC. It proposes that an exchange relationship develops between two parties when one provides a benefit to the other. This in effect causes an obligation for the other party to respond by providing something beneficial in return. These exchange relationships evolve through time and as changes occur in the relationship, because individuals are interested in maintaining a balance between inputs and outputs and having a positive balance in their transactions (Blau, 1964). With any event that creates an imbalance, the parties will behave in a way that restores the balance. One action that influences the exchange relationship between an organization and its employees is providing employees with the opportunity to influence decision making through a mechanism of employee voice – such as the creation of a JCC (Farndale et al., 2011).

Dietz and Fortin (2007) believe that trust and justice are two frameworks that can be used to explain JCC participants' attitudes and behaviours, which in turn affect their relationship and its on-going evolution. They highlight that Joint Consultative Committees (JCCs) are characterised by highly complex exchange relationships and argue that trust and justice provide a comprehensive framework to investigate and understand these relationships, and can predict the JCC's progress over time. They propose a six-phase model for the voice process, with five stages (Figure 2.1), where implications of trust and justice are present at, and influence each stage. One of the main aims of this thesis is to test this model and its application. This is because this is the only theoretical model (to my knowledge) that explores in depth the influence of the exchange relationships between JCC participants on its effectiveness. Additionally, this is the only longitudinal model that provides a detailed analysis of the different stages that a JCC is going through and offers propositions on how the processes and relationships in each stage affect the future of the JCC (whether it will become institutionalized or 'fade out'). The model offers compelling arguments as to how trust and justice perceptions affect the relationships and processes within a JCC and consequently its effectiveness. If these propositions are found to be applicable, a new way to design effective JCCs can be explored. This is why the model needs to be examined and tested and this is why its exploration is one of the main aims of this study.

An account of each stage follows next, with a discussion of how the authors propose trust and justice to affect each stage (a thorough review of the literature on organisational justice and trust will be given in chapters 3 and 4 respectively).

**Figure 2.1:** The six phases of the JCC process.



**source:** Dietz and Fortin (2007:1164).

### *Pre-voice history (T1)*

JCCs do not emerge in a vacuum, but in the context of previous relations between the main participants (Kessler and Purcell, 1996). Dietz and Fortin (2007) term these previous relations as the ‘pre-voice history’. McKnight et al. (1998) argue that people in general, recall, select and interpret the information that is consistent with their prior beliefs. Therefore, previously formed trustworthiness and justice judgements will be extremely influential in the early stages (see fairness heuristic theory in chapter 3). At this stage, it is expected that participants will have accumulated evidence about the other parties trustworthiness and fairness, which will inform their initial expectations about the likely levels of fairness treatment, trust and outcomes in the JCC (Shapiro and Kirkman, 2001).

### *Design (T2)*

This stage is an important determinant for the development of justice and trust. Direct observation of the other party within a JCC context has not started yet. Therefore, participants will look for evidence of trustworthiness and justice in the JCC’s design. At the absence of direct evidence, the design will serve as a proxy (Dietz and Fortin, 2007). A well-defined design will make clear what participants’

expectations should be on the JCC's role, remit and purpose, thus limiting the possibility for inconsistencies and unrealised expectations that damage trust and fairness perceptions. Additionally, this is the stage where procedural and informational justice (see chapter 3 for definitions) can be developed with the creation of clear procedures and information sharing protocols (Dietz and Fortin, 2007).

#### *Preparations prior to the first meeting (T3)*

This stage includes training, support facilities and efforts to create positive relations before the first official meeting that can “prove beneficial by neutralizing negative predispositions and cementing confident positive expectations” (Dietz and Fortin, 2007: 1170). This is another stage where expectations about the operation of the JCC and the likely levels of trust and justice will be formed. For example, the provision of training will increase the delegates' effectiveness and thus perceptions of their ability, a trustworthiness factor (see chapter 4). Training can also be seen as a demonstration of organisational support, and thus as an act of managerial benevolence, another factor of trustworthiness (see chapter 4) (Dietz and Fortin, 2007).

#### *The first meeting (T4)*

This is the stage where JCC participants will have their first direct experiences of the JCC's operations and delegates' conduct. This is the first stage where they will have the opportunity to gather direct evidence of the other party's trustworthiness and fairness treatment. According to Dietz and Fortin (2007: 1172), the first meeting is a pivotal event for the future of the JCC as this is the participants' first direct experience of issues related to trust and justice, “such as the content of the consultative agenda, the extend of information sharing, the quality of interaction and dialogue”. In sum, the delegates will rely on how the first meeting was held to form expectations about the operation of subsequent meetings and the future of the JCC. To do this they will rely on evidence, from direct observation and interaction, of the other party's trustworthiness and fairness treatment. Procedural justice (see chapter 3 for definition) cues have been found to be especially important in the initial sense-making stage of a relationship (Cropanzano et al., 2001). This is why Dietz and Fortin (2007) predict that procedural justice judgements will dominate the first meeting.

### *Subsequent meetings (T5)*

Wilmott (2004) argues that even if the design is well received, and preparations and the first meeting have gone well, the positive momentum needs to be sustained, to avoid apathy. Dietz and Fortin (2007) argue that if progress is not sustained, trust will be damaged and perceived injustices will be created. They predict that at this stage participants will start having direct experience of the outcomes achieved and will evaluate those in terms of trustworthiness and fairness, with benevolence (see chapter 4) and distributive justice (see chapter 3) dominating the formation of judgements about the JCC effectiveness. It is at this stage that participants will see their expectations being realised or disappointed and, influenced by that, form their perceptions of the JCC's effectiveness. If expectations are not followed through with positive outcomes for both parties, participants will perceive the JCC as ineffective (Broad, 1994). Additionally, tendencies towards strengthening or weakening justice and trust perceptions will be observable at this stage through the delivery of positive or negative outcomes respectively. Thus, Dietz and Fortin (2007: 1174) expect that "the JCC will become institutionalised as a feature of the organisation if participants' positive expectations and perceptions have been sustained, but will suffer from atrophy and wither into obscurity and death if these are repeatedly undermined or left unrealised" (leading to phase six of the model – Figure 2.1).

In sum, it is recognised within the joint consultation literature that it is important for the effectiveness of the process to develop a stable employee relations climate through the cultivation of positive relationships between management and employee representatives. However, little research has actually examined the link between these complex exchange relationships and the joint consultation arrangement.

## **DYNAMICS AND PROCESSES OF JOINT CONSULTATION**

Literature has also focused on the dynamics and processes that can make joint consultation effective. Broad's (1994) study was one of the few at the time that investigated joint consultation processes. Carrying out a longitudinal study into the Company Council of a Japanese-owned manufacturing company he found that the mismatch in participants' expectations and employee representatives' disillusionment about the role of the Council led to a fragile and highly ineffective Council. He concluded that joint consultation processes are highly dynamic, with important shifts both in the Council's operation and in attitudes toward it and that consultation requires investment of management time and commitment to be effective. It seems that even after Broad's study little attention was drawn to the issues of processes, leading Kessler and Purcell (1996: 680) to wonder: "What makes some joint bodies successful while others are less so? Why then, is so little attention paid to the key issues of processes



that make works councils or joint consultative committees more or less successful?” and Fenton-O’Creevy (1998: 68) later to ponder: “What makes the difference between effective employee involvement programmes and those that fail to achieve their objectives?”

At present, this gap in the literature still exists, though some effort has been made to answer the questions expressed above. Beaumont and Hunter (2007) have been concerned with the impact of inter-party differences and relationships (identifying trust as one important element), events and decisions on the consultation process and how fragile this is when change occurs. They define process as “the way the parties mutually interact and the dynamic of that interaction as it unfolds in successive meetings as demonstrated in behaviour and attitudes” (ibid: 1229). Drawing from qualitative longitudinal research into two case studies they were concerned with the fragility of consultation when differences between parties arise. Using trust as their theoretical framework, they found that such differences jeopardised the relationship, disrupting cooperation and breaching the trust relationship between parties. In their work they identified trust as vital to the expected long-term mutual benefits, however they did not provide an explanation of how trust is breached (i.e. which factors of trustworthiness are violated). One element that may cause misinterpretation is the fact that they relied on official records to examine the employee representatives’ reactions and did not conduct interviews with the representatives themselves. However, they did conduct semi-structured interviews with general and HR managers within the organization. This can create an imbalance in the findings as they have detailed comments and views from the management side but not from the employee side.

The introduction of the EUD provided the contextual base that has revived the research agenda on JCC processes (Dietz and Fortin, 2007), which now consists of guidelines on how to implement information and consultations arrangements in line with the Directive (Beaumont and Hunter, 2003; CIPD, 2004; Dix and Oxenbridge, 2003; DTI, 2003; IPA, 2001; Willmott, 2004) and a number of reports and articles on the development of these arrangements (Hall, 2005a; Hall et al., 2007a) that are rather descriptive in nature.

Researchers have also been interested in organisational – employer, unions and employees - responses to the regulation, aiming to review current approaches used by employers and trade unions and to identify and describe any emerging patterns (Hall, 2006; Wilkinson et al., 2007).

In sum, although there is some interest in the dynamics and processes of joint consultation, the literature is mainly concerned with evaluating the dynamics, exploring and reviewing current arrangements, offering a number of guidelines on the implementation of information and consultation arrangements and organisational responses to these arrangements. However, there is little in-depth analysis on the factors that influence the dynamics and processes that can make joint consultation

effective. This thesis contributes to JCC research by arguing that the factors that influence the JCC processes are participants' perceptions of trust and justice about those processes and how they are designed.

## **JCC EFFECTIVENESS**

Several attempts have been made in the literature to assess the effectiveness of joint consultation. Hyman (1997) argues that for the employee voice to be effective it must have efficacy, legitimacy and autonomy, however these are very broad and general terms. It is relatively easy to assess legitimacy and autonomy, but it is far more difficult to assess a JCC's efficacy. This would involve identifying and assessing important JCC outcomes. As such, although there is extended literature on joint consultation arrangements, there is no widely accepted criteria of what constitutes JCC effectiveness (Hall et al., 2007a), what important JCC outcomes are and what factors, and in what way, influence those outcomes. This section will highlight a gap in the joint consultation literature in terms of a widely accepted conceptualisation of JCC effectiveness.

Bailey (2009), using a qualitative approach with data drawn from one case study comprising 20 semi-structured interviews, observational and archival data, examines the effectiveness of a European Works Council (EWC) in a multi-national company. She concluded that the EWC was not effective because there was no opportunity for meaningful employee consultation and the council was only used for information-only purposes. In this case, effectiveness was conceptualised from an employee perspective based on the degree to which consultation was taking place. Factors identified as contributing to the ineffectiveness were: managerial and employee attitudes, Eastern European working conditions, lack of training and inadequate communication strategies.

Markey (2007), in his qualitative study which included committee documents analysis, interviews (9) with several committee officers and an observation of the committee's planning workshop, evaluated the effectiveness of works councils in Australia, in terms of their representativity, independence, expertise and accountability to employees. These four factors can be used to assess how effective the JCC processes are, but offer no contribution in terms of assessing the outcomes of a JCC. Haynes et al. (2005), drawing on the New Zealand Worker Representation and Participation Survey 2003, in their evaluation of JCC effectiveness in New Zealand found that representatives associate effectiveness with levels of influence over decision-making and improving quality and contribution of ideas. Holland et al. (2009), draw on responses (= 1000) from the 2004 Australian Worker Representation and Participation Survey (AWRPS) and found that in Australian workplaces, joint consultation mechanisms are viewed as an effective form of employee voice. In this study effectiveness is assessed in terms of

employee representativeness and methods of selecting representatives. JCCs where representatives were selected by management were characterised as less effective. It can be argued here that although representativeness and selection methods can be important when assessing the JCC processes, they do not ensure an effective JCC. A JCC with elected representatives can still be perceived as ineffective if it does not produce any outcomes; for example, employees' influence on management decision making, which comes from joint consultation. It is worth noting that as with the majority of studies, the authors assess JCC effectiveness from an employee perspective.

Pyman et al. (2006), drawing data from responses from the same survey (AWRPS, 2004), compare the effectiveness of voice mechanisms in terms of managerial responsiveness to employee needs, perceived job control and perceived influence over job rewards. Others focus on the interpersonal relationships and interaction between JCC representatives (Sako, 1998; Dietz et al., 2010) and their impact on JCC effectiveness and several studies review the impact of the JCC processes on its effectiveness (Broad, 1994; Dundon et al., 2006; Gollan and Wilkinson, 2007b). In her examination of manager's attitudes to trade unionism, in both unionised and non-union companies, Findlay (1993) argues that employees were uninterested and widely critical of the operation of their representative works councils and were characterised as un-influential by managers. However, she does not provide any reasons why this was the case. In his review of systems of collective representation in non-union firms in the UK, Terry (1999) concluded that they generally achieve little and they are viewed by managers and employees with cynicism and disenchantment and that these systems are fragile and ineffective means of representing employee interests. Problems he identified had to do with inadequate information, employees feeling ignored by management and a general lack of impact.

Recently, Hall et al. (2011), drawing on evidence from longitudinal case studies in 25 organisations, assess the effectiveness of information and consultation bodies. This is based on whether these bodies effectively consult on strategic business issues and major organisational change. They then place these bodies in one of three categories depending on their level of consultation:

1. The 'active consulters': I&C bodies where there is consultation on strategic organisational issues.
2. The 'communicators': Use of the I&C body essentially for communication purposes typically involving 'housekeeping' matters.
3. Defunct committees: cancelling I&C meetings and/or not meeting for over a year and ceasing operations fairly quickly.

The authors found only a significant minority to be 'active consulters' and conclude that the impact of I&C bodies on consultation depends substantially on managerial choices and behaviour. Specifically

they argue that consultation requires a willingness from management to use the I&C body as a consultative forum for strategic organisational issues. However, they do not specify how this willingness to consult is formed. Why would they not be willing to consult with I&C bodies on strategic issues? What are the factors that influence this willingness? Answering these questions can provide a greater understanding of management's motives when deciding their level of interaction with I&C bodies. Understanding the factors that influence management's decision to consult with JCCs and directly addressing them, can potentially lead to a more effective JCC operation.

Although several different factors are examined in the studies above, such as influence in decision making and training, there is no in-depth explanation of the results. For example, why is there no influence on decision making in these committees? What are the underlying factors? Effectiveness is seen from different levels and different perspectives depending on the aims of each study and it seems that there is no agreement on a wider definition of JCC effectiveness. Indeed Terry (1999: 27) speaks of "elusive data concerning the effects of such systems". This thesis will argue that trust and justice can serve as underlying factors that can provide an explanation to questions such as the above. Furthermore, most of this work considers effectiveness (or ineffectiveness) from either an employee or management perspective but not from both.

Taking into consideration both management and the employee representatives' perspective, JCC effectiveness is identified in terms of four outcomes. These are: (a) its usefulness; participants' perceptions of the usefulness of the JCC for the company and the workforce, (b) its performance; participants' perceptions of the level of the JCC's productivity, quality, effectiveness and interpersonal relationships, (c) the representatives' outcome satisfaction, and (d) its impact on partnership. These are identified in this study as important JCC outcomes as they capture most aspects of a JCC's operation.

The rationale of this choice is threefold. First, in an effort to capture perceptions of effectiveness from both perspectives (management and employees), the terms had to be general and broad enough to capture perceptions from both sides. For example, an important outcome that has been examined in previous research is employees' influence in decision-making. However this might not be considered an important JCC outcome from a management perspective. Instead, downward communication might be perceived as more important for management. This can be avoided by using terms with a more general definition (i.e. usefulness). All of the above terms have this characteristic. Second, in order to acquire a more holistic view of JCC effectiveness, factors to be examined should not only be focused on behavioural, attitudinal and procedural outcomes but also organisational ones, from both the employee and the management perspective. Performance – the JCC's in this case – is considered such an outcome. A JCC is an employee voice and participation mechanism but is also a management tool. As such, its usefulness for the workforce and the organisation should be an important outcome and an important

factor of JCC effectiveness. Outcome satisfaction has been found to contribute to positive organisational perceptions and is expected to be an important JCC outcome. It is expected that JCC participants who are satisfied with the outcomes, whether those are involvement in decision-making for the employees or open communication for management, will perceive the JCC as effective. Third, as an employee voice mechanism, JCCs can contribute to the development of good, co-operative relations within the organisation and if effective, evolve to a partnership agreement. For this reason its impact on partnership was chosen as another important JCC outcome.

## **METHODOLOGY**

The issue of methodology concerning research in management has always been a problem for academics in this discipline. No research technique available can escape criticism. In the case of research conducted when exploring joint consultation, there is a variety of chosen methods depending on the purpose of the research. Table 2.2 provides a detailed summary of the chosen research methods from 33 empirical articles within the joint consultation literature. In line with the view that relying solely on quantitative analysis, especially surveys, may be quite unreliable because of the different meanings respondents give to joint consultation (MacInnes, 1985; Marchington and Armstrong, 1986; Marchington, 1987), we can notice that in the majority of articles a qualitative approach is used.

What one can observe from this table is that, while it is widely recognised that a combination of qualitative and quantitative methods offers better insights (this will be discussed further in chapter 6), only seven articles use both; the rest use either qualitative only (13) or quantitative only (9) methods. Furthermore, only nine articles apply a longitudinal approach to their research, with the rest limiting their findings within a certain moment in time, each time providing a snapshot of the case study in question without tracking its development. Especially in the case of joint consultation, where most research has to do with life cycles, dynamics, impact, process and role of joint consultation arrangements, a longitudinal approach would allow the researcher to track developments and changes over time, thus providing findings and conclusions that would give us a holistic and valid picture. The only case in which a longitudinal approach with triangulation of data was used is by Broad (1994) on his analysis of the consultation methods used by a Japanese manufacturing transplant located in the UK.

In all examples, there is some effort to combine methods in order to be able to provide more valid and reliable findings.

**Table 2.2:** summary and limitations of chosen research methods

Study	Case studies	Observation	Interviews	Duration	Documentation/minutes of meetings	Surveys	Secondary data analysis	Other methods
Bailey (2009).	1	√	√	-	√	-	-	-
Barrett and Heery (1995).	1	-	√	-	√	-	-	-
Bartram and Cregan (2003).	2	√	√	-	√	√	-	-
Beaumont and Hunter (2007).	2	-	√	3 years	√	-	-	-
Beaumont and Hunter (2003).	16	-	√	-	-	-	WERS	Focus groups
Brewster et al. (2007).	-	-	-	-	-	-	CRANET	-
Broad (1994).	1	√	√	5 years	√	√	-	Personnel data
Cooke (1990).	-	-	-	-	-	√	-	-
Cox et al. (2007).	-	-	-	-	-	-	WERS	-
Dundon et al. (2006).	15	-	√	-	-	-	-	Focus groups
Glover (2001).	1	-	√	-	-	√	-	-
Gollan (2001).	1	√	√	-	√	√	WERS	Focus groups

Study	Case studies	Observation	Interviews	Duration	Documentation/minutes of meetings	Surveys	Secondary data analysis	Other methods
Hall (2005b).	4	√	√	2 years	√	-	-	-
Hall et al. (2007).	13	-	√	-	√	√	-	-
Hall et al. (2011).	25	-	√	2 years	√	-	-	-
Haynes et al. (2005).	-	-	-	-	-	-	NZWRPS	-
Holland et al. (2009).	-	-	-	-	-	-	AWRPS	-
Kerkhof et al. (2003).	-	-	-	-	-	√	-	-
Kessler and Purcell (1996).	-	-	-	-	-	√	-	-
Kessler et al. (2004).	-	-	-	-	-	√	-	-
Lloyd and Newell (2001).	1	√	√	-	√	-	-	-
MacInnes (1985).	6	-	-	2 years	-	-	-	-
Marchington (1987).	13	√	√	4 years	√	-	-	-
Marginson et al. (2004).	8	√	√	2 years	√	-	-	-

Study	Case studies	Observation	Interviews	Duration	Documentation/minutes of meetings	Surveys	Secondary data analysis	Other methods
Markey (2007).	1	√	√	3 years	√	-	-	-
McGraw and Palmer (1995).	1	√	√	-	-	-	-	-
Palmer and McGraw (1995).	-	-	-	-	-	√	-	-
Peccei et al., 2007 (2007).	-	-	-	-	-	-	WERS	-
Pyman et al. (2006).	-	-	-	-	-	-	AWRPS	-
Samuel (2007).	2	√	√	-	√	-	-	-
Wilkinson et al. (2007).	4	√	√	-	√	√	-	-
Wilkinson et al. (2004).	18	-	√	-	√	-	-	-
Wills (2000).	1	√	√	3 years	-	-	-	-



## **SUMMARY**

The aims of this chapter were to examine the key literature on joint consultation, examine the issues that are most salient to researchers and present a summary of the chosen research methods from important articles within the joint consultation literature.

As we observed, joint consultation has a long history in British industrial relations (Bate and Murphy, 1981), and as such, it carries a long tradition of discussions and debates over its usefulness and the roles it can perform. Also widely accepted in the literature is the fact that the effectiveness of a joint consultation arrangement is greatly dependent on the way in which workforce and management interacts (Sako, 1998) and the nature of that relationship (Beaumont and Hunter, 2005). However, little research has actually examined the link between these complex exchange relationships and the joint consultation arrangement to try to identify key factors that influence these interactions and relationships. Finally, although there is interest on what affects the dynamics and processes of joint consultation, the literature is mainly concerned with evaluating the dynamics, exploring and reviewing current arrangements and organisational responses to these arrangements. As such, there is little in-depth analysis on the factors that influence the dynamics and processes that can make joint consultation effective. Additionally, although there are several studies assessing JCC effectiveness, there is no commonly agreed conceptualisation of JCC effectiveness that is applicable to both sides - management and employees. It seems that joint consultation is treated more as one of numerous EIP schemes rather than a separate individually important tool. In this way, it remains exclusively descriptive and thus provides no concrete theories.

Although research on this crucial topic has provided some essential information, there is still space for further research. The high complexity and importance of organizational relationships calls for extended research in order to draw more comprehensive conclusions. What is more, one cannot be eager to draw finite conclusions from one single research that is 'frozen' in time. Since the processes of a JCC are issues that extend over time, it is necessary to base findings in longitudinal research methods that can follow the developments and draw conclusions that are strong in internal validity.

## 3. Organisational Justice

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### INTRODUCTION

Justice is an increasingly researched topic in many disciplines. In management, organisational justice has been shown to have effects on a number of organisational outcomes, such as people's attitudes and behaviour at the workplace, well-being, motivation and performance (Folger and Cropanzano, 1998).

This chapter will present theories of justice that integrate the justice dimensions in an effort to explain why justice matters to people and how people react to justice judgements. It will provide definitions of organisational justice including the four distinct components of justice (distributive, procedural, informational and interpersonal) and their impact on overall justice, discuss several justice outcomes within organisational settings, and discuss why justice might be important in a JCC context.

### JUSTICE THEORIES

Over the years theories of justice have emerged that try to explain why justice matters to people, how fairness judgements are made and how people react to fairness perceptions. The most prominent and widely applicable theories of justice judgement processes that explore the above questions are the instrumental model (Tyler and Blader, 2000); the group-value model or relational model (Tyler and Blader, 2000); fairness theory (Folger and Cropanzano, 1998, 2001); the deontic or moral virtue model (Cropanzano et al., 2001); and fairness heuristic theory (Lind, 2001), later subsumed by uncertainty management theory (Lind and Van den Bos, 2002). In the following paragraphs I will present the above theories in more detail.

#### *Instrumental theory*

At the core of instrumental theory is the assumption that individuals are motivated by self-interest and that when they are dealing with other people, they generally prefer to have control over their outcomes (Tyler and Blader, 2000). In other words, individuals care about positive outcomes and the level of control they have over them. Consequently, they are concerned about fairness because they view it as a control mechanism to ensure favourability and better predictability of their outcomes (Fortin, 2008). The instrumental model relies on Thibaut and Walker's (1975) view of decision and process control

and therefore, is concerned with distributive and procedural justice. It suggests that “people will emphasise the extent to which procedures allow them control, either direct or indirect, over the outcome when evaluating the fairness of the procedure” (Tyler and Blader, 2000: 91). The more control over the outcome the procedure offers the more fair they will perceive the situation.

The instrumental model provides only one explanation on why fairness matters to people. A growing body of findings suggest that the instrumental model is inadequate in explaining the way people make justice judgements as it solely relies on the assumption that people are motivated only by self-interest. If this was the case then interpersonal justice would have no impact on individuals’ justice perceptions as it does not offer any kind of control over the outcome.

### *Relational model*

The relational model (also known as group-value model) proposes an alternative explanation. It assumes that individuals value being members of a group and they use justice judgements to provide information that will affirm or disconfirm their status in the group and define their self-worth within the group (Tyler and Blader, 2000). It postulates that trust in the authorities’ motives, neutrality in decision-making, and status recognition are constructs that carry identity-relevant attributes that have an impact on the individual making the justice judgement and are more important predictors of justice evaluations than outcome-oriented judgements (Tyler and Blader, 2000). It argues that justice matters as it makes people feel more included in and connected to organisational relationships and fosters a sense of belonging with a group (Shaw et al., 2003). As Tyler summarises; “the strength of the social connection that people have to an organisation – shapes the importance they place upon the quality of treatment they receive from organisational authorities” (1999: 230). The relational model is concerned with the quality of treatment that people experience and the information they receive in their interactions rather than purely an evaluation of process and outcome. In the relational model, unfair procedures can indicate to the individual that they are not respected and that they are not worth being treated fairly. This in turn can influence negatively their standing within the group (Cropanzano et al., 2001). This unfairness consequently will hurt the individual’s self-esteem, making them less willing to support and less motivated towards the group (Cropanzano et al., 2001). In this thesis the group is the JCC.

## *Fairness theory*

Another point of view in explaining justice judgements is presented by Folger and Cropanzano's (2001) fairness theory. The theory posits that the central topic of social judgement and the necessary step in reacting to decision-making events is the assignment of blame or accountability (Folger and Cropanzano, 2001). It describes how individuals form perceptions of blame. In particular, the theory argues that individuals assign blame by comparing what actually happened to what might have been (Folger and Cropanzano, 2001; Shaw et al., 2003).

Fairness theory describes the process individuals use to judge the impact of the events that affect their lives. In particular, '*would*' counterfactuals refer to evaluations of the implications of actions for the well-being of others and compare a person's current state of well-being with mental simulations of other, perhaps more positive, states (i.e. would it be better otherwise?) (Folger and Cropanzano, 2001). The theory argues that if the individuals' current state of well-being is similar to other imagined states then they will evaluate the event that led to that state as having less negative impact (Shaw et al., 2003).

There are also two other kinds of counterfactuals that interact to determine blame or accountability; '*could*' and '*should*' counterfactuals. *Could* counterfactuals refer to the commission or omission of discretionary actions capable of affecting others and compare what the decision maker did to what they could have done (i.e. could they have acted differently?) (Folger and Cropanzano, 2001). According to fairness theory, when people use *could* counterfactuals, they are trying to decide if there were other possible and more positive alternatives that the decision maker could have used. If the individual decides that there were other feasible options that the decision maker had control over, then it is possible to assign blame (Folger and Cropanzano, 2001).

The process of *should* counterfactual thinking, which refers to the ethical standards used to evaluate the morality of actions, forms the second half of the accountability judgement. *Should* counterfactuals compare what the decision maker did to what the decision maker should have done, in a way that does not violate an ethical principle (should they have acted in a different way?) (Folger and Cropanzano, 2001). This type of counterfactual therefore concerns the evaluation of good versus bad and right versus wrong (Shaw et al., 2003). According to the theory, for an event to be perceived as unfair, it must violate the ethical standards to which people are expected to adhere (Folger and Cropanzano, 2001).

The formation of the counterfactuals can occur in any order and all three counterfactuals must be activated for a person to perceive unfairness (Folger and Cropanzano, 2001). For example, if a person sees an event as favourable – thereby failing to activate the *would* counterfactual – there is little reason to imagine what the decision maker *could* or *should* have done differently. Without negative impact,

there is no reason to consider blame (Shaw et al., 2003). Due to its focus on blame, fairness theory is particularly useful for explaining negative reactions and feelings towards individuals and organisations (Fortin, 2008).

The moral virtue model tries to explain why people are concerned with fairness even when there is no direct beneficial outcome or when strangers are involved. It argues that justice partially has to do with morality and is valued by people because it serves as an expression of human dignity (Cropanzano et al., 2001). The same authors state that “individuals worry about fairness because they want to be virtuous actors in a just world” (Cropanzano et al., 2001: 174). In other words, fairness has value that goes beyond its relational or instrumental implications and rises above self-interest. Turillo et al. (2002), in what they name ‘deontic emotions’ propose that individuals have endogenous emotions of duty or obligation to commit to ethical standards and that people care about fairness because it is the right, virtuous thing to do.

### *Fairness heuristic theory*

Fairness heuristic theory seeks to explain why justice judgements have such a significant effect on attitudes and behaviours and is based on the recognition that almost all social relationships involve a ‘fundamental social dilemma’ (Lind, 2001). On the one hand, by identifying with and contributing to a social or organisational entity, people can improve their capacities to accomplish goals and possibly enhance their self-worth. On the other hand, sacrifice for and identification with a social or organisational entity can lead to reduced individual freedom, exploitation and loss of identity. A decision to cooperate also creates the possibility that at any given time this cooperative behaviour might be exploited. The theory assumes that when people do not have information about another party’s trustworthiness they will rely on justice heuristics to decide whether to co-operate or not and it posits two processes: (1) fairness judgements serve as a proxy for interpersonal trust in guiding decisions about whether to behave cooperatively in social situations (i.e. the creation of a JCC); and (2) people use a variety of cognitive shortcuts to make sure that they have available a fairness judgement when they need to make a quick decision about engaging in a cooperative behaviour (Lind, 2001). Lind (2001) also states that one of the important heuristics that individuals use is the fair treatment heuristic and suggests that “fair treatment leads people to respond cooperatively to the demands and requests of others and of the group as a whole” (p. 65).

## *Uncertainty management theory*

The uncertainty management theory, which has developed from fairness heuristic theory, demonstrates that justice and fairness-related information can be used to cope with and remove more sources of uncertainty, not just trust uncertainty (i.e. uncertainty about the value of a JCC). Lind and Van den Bos (2002) wrote, “what appears to be happening is that people use fairness to manage reactions to uncertainty, finding comfort in related or even unrelated fair experiences” (p. 216). Thus, justice can remove uncertainty and mitigate the effects of uncertainty even in situations that have nothing to do with authority relationships.

These theories will be used to understand and explain attitudes, behaviour, relationships and mainly reactions to JCC events.

## **DEFINING ORGANISATIONAL JUSTICE**

Organisational justice is defined as “an area of psychological enquiry that focuses on perceptions of fairness in the workplace. It is the psychology of justice applied in organisational settings” (Byrne and Cropanzano, 2001: 4). The term was first used in 1964 by French to refer to issues of fairness in personnel management, with Greenberg first using the term in 1987 to refer specifically to people’s perception of fairness (Fortin, 2008). Researchers have differentiated their definitions into four distinct forms of justice (Greenberg, 1993; Colquitt, 2001; Colquitt et al., 2001): distributive, procedural, interpersonal and informational justice.

### **Distributive justice**

Distributive justice (DJ) concerns perceptions of fairness about organisational allocations and outcomes. These perceptions are based on a subjective assessment of outcomes based on inputs made previously (Saunders and Thornhill, 2004). Research on the fairness of outcomes found that distributive justice is fostered by following different rules for different situations and relationships, including equality, need and equity (Colquitt and Jackson, 2006). The equality rule dictates that the same outcomes be distributed to all equally, regardless of the contribution, and the need rule dictates that the most favourable outcomes should be distributed to those most in need of them. Leventhal (1980) suggests that different rules might be appropriate in different circumstances and a number of rules could also be considered simultaneously or conflict with each other. An example of rule allocation

comes from Deutsch who stated that “in cooperative relations in which the fostering or maintenance of enjoyable social relations is a primary emphasis,” then an equality rule should dominate, but when the relationship focuses on the “fostering of personal development and personal welfare” then the needs rule should prevail (Deutsch, 1975: 146). However, distributive justice in work contexts is primarily based on perceptions that follow the equity rule.

The rule of equity is based on Adams’ equity theory (1963, 1965). According to Adams, people are not concerned about the outcomes per se but whether those outcomes were fair. Equity theory suggests that an individual will determine whether an outcome is fair by comparing the ratio of his/her contribution or ‘input’ and outcome to their expectations (i.e. what an individual believes they deserve to get) or that of a referent other (Colquitt et al., 2001; Ambrose and Arnaud, 2005). When a person’s own ratio is perceived to be higher than the ‘just ratio’ then that person is predicted to feel angry and when a person’s own ratio is perceived to be lower, then that person is predicted to feel guilty (Greenberg, 1990). In order to remove that state of inequity people change or distort their inputs and outcomes, change the other person’s inputs and outcomes, change the object of comparison or leave the exchange relationship (Fortin, 2008). Thus, when a person perceives a certain outcome as unfair, it could have an effect on that person’s emotion and ultimately their behaviour (Weiss et al., 1999). Within a JCC context, a comparison of inputs and outputs might be made with outcomes from other JCCs or based on the participants’ expectations of what they should get. Within the same [JCC] context participants might try to remove the inequity by not complying with the JCC rules and guidelines, refusing to participate in future elections for representatives or, as an extreme example, resigning their place in the committee.

Yet, reward allocation is not always as important as the process by which allocations are made. Research has shifted from focusing only on results of rewards distribution to also emphasising the process by which they were distributed (Cohen-Charash and Spector, 2001). The perceived fairness of outcomes was no longer considered as the only determinant of perceived justice, but rather, what was also important was the perceived fairness of the procedure by which rewards or other outcomes were achieved (Lind and Tyler, 1988).

## **Procedural justice**

Procedural justice (PJ) concerns whether the decision-making processes that lead to the outcomes are fair (Lind and Tyler, 1988). Thibaut and Walker (1975) argued that perceptions of procedural fairness can be fostered by giving individuals two forms of control; decision control and process control.

Decision control gives the individual the ability to influence the outcome by making the allocation decision, and process control gives the individual the opportunity to voice their opinions and views during the procedure. Folger (1977) and Lind and Tyler (1988) refer to this process control as the 'fair process effect' or 'voice' effect. Thibaut and Walker (1975) found that being able to voice your opinions increases acceptance and fairness perceptions of decisions, even if the individual could not influence the outcome, and argued that process control is extremely useful as an indirect way of decision control in situations where authorities have the final say in the decision making. Consequently, it is expected that both forms of control will be important in a JCC; with the voice effect being more salient (i.e. employee representatives being able to voice their opinions during the consultation process).

Leventhal (1980) provides six additional rules, which should be met for procedures to be perceived as fair. Procedures are perceived to be fair when (a) they are consistent across persons and over time – the consistency rule; (b) they are neutral and impartial and the personal interests of decision makers are not interfering during the allocation process – the bias-suppression rule; (c) they rely on good and valid facts, information and opinion during the allocation process – the accuracy rule; (d) they include mechanisms to change the unfair, wrong and poor decisions – the correctability rule; (e) they take into account the opinions, values, needs and outlooks of all affected parties, which overlaps with process and decision control criteria (Barrett-Howard and Tyler, 1986; Lind and Tyler, 1988) – the representativeness rule; (f) they adhere and uphold fundamental ethical and moral values – the ethicality rule. All these are expected to be important when JCC participants assess the JCC decision-making and operation procedures. For example, when consultation happens for a decision about a specific issue, this will create a precedent; if in the future, management do not consult about the same issue again, they will be breaking the consistency rule. It is assumed that this will create feelings of unfairness among employee representatives. This thesis offers an insight into the role of these rules when JCC participants assess procedural fairness.

### **Interactional justice**

Bies and Moag (1986) introduced interactional justice as the third dimension of justice by emphasising the quality of interpersonal treatment by the people performing the procedures or outcomes. Consequently, interactional justice is concerned with the interpersonal treatment people receive when procedures are enacted (Bies and Moag, 1986). They suggested four methods for fostering interactional justice: a) treating the recipient with respect and dignity, b) refraining from prejudicial statements or improper comments (propriety), c) truthfulness and honesty and, d) providing sufficient explanations for the decisions made.



Interactional justice relates to aspects of the relationship and communication process between the source and the recipient of justice, such as respect and honesty, and as such it is related to cognitive, affective and behavioural reactions towards the direct supervisor or source of justice (Bies and Moag, 1986; Tyler and Bies, 1990; Cropanzano et al., 2002). Thus, when an employee perceives interactional injustice they will react negatively towards their direct supervisor (or the person that was unfair to them) rather than towards the whole organisation (procedural justice) or the specific outcome (distributive justice) (Cohen-Charash and Spector, 2001). Within a JCC, interactional justice will be concerned with the relationship between employee representatives and management (the JCC Chair and management representatives).

Greenberg (1993) suggested splitting these four methods into two interactional justice facets: interpersonal justice, representing quality of treatment and propriety aspects and informational justice, which has to do with the quality of information (e.g. sincerity and clarity of communication) about the decision-making procedures and outcomes and represents the truthfulness and explanations aspects. Colquitt (2001) in his study on the dimensionality of organisational justice provides evidence which supports Greenberg's view; he treats these two elements (interpersonal and informational) as separate dimensions of justice and uses different scales to measure them. His results show that "the four-factor model is significantly better than the three-factor model because their confidence intervals do not overlap" (2001: 392) and he concludes that "interactional justice should be broken down into its interpersonal and informational justice components, as they too had differential effects" (2001: 396). Further support for the above conclusion is also provided by Colquitt et al.'s (2001) meta-analysis.

### *Informational justice*

Informational justice (IFJ) is concerned with the quality and amount of information provided, truthfulness and justification concerning procedures, decision-making and outcomes (Colquitt, 2001). In other words, providing adequate, clear and honest explanations in a timely manner (Bies et al., 1988; Colquitt, 2001; Greenberg, 1993). Shaw et al. (2003), in their meta-analytic review of the effects of explanations found that they had strong effects on both justice and response variables. Furthermore, when explanations took the form of excuses rather than justifications they had the strongest beneficial effect on people's reactions in situations where they were given after unfavourable outcomes, and when they were given in contexts with instrumental, relational and moral implications. When sincere and adequate justifications are given then recipients' reactions are more favourable to the event, the person providing the explanations, and the institution where the event took place, than when events are not explained or recipients think explanations are inadequate or insincere (Bobocel and Zdaniuk, 2005).

Explanations are very important when employees have little or no control over outcomes or procedures. This is demonstrated in Greenberg's (1990) study, which showed that theft incidents were reduced when employees received thorough and sensitive explanations about pay reductions. In a JCC context, it is expected that explanations about decisions in which the JCC was not consulted and had no influence or control over the outcome will influence participants in terms of their IFJ perception and consequently their attitudes and behaviours in the committee. Inadequate or insincere explanations about decisions might lead participants to regard the committee as un-influential and just a 'talking shop'.

### *Interpersonal justice*

Interpersonal justice is concerned with the quality of personal treatment, respect, sensitivity and propriety (Greenberg, 1990). Honesty, respect and politeness generally increase interpersonal justice perceptions (Colquitt et al., 2001) while derogatory judgements, deception, invasion of privacy and disrespect act in the opposite way (Bies, 2001). Individuals are clearly concerned about formal processes but they are also concerned about interpersonal treatment and the quality of treatment they receive from other individuals (Bies, 2001). Research suggests that work units develop interpersonal homogeneity such that the treatment of a group member is extended to the rest of the group if it shares common goals and similar interests (Schneider, 1987). This can be applied in a JCC context. For example, if the JCC Chair is rude to one employee representative, it is possible that the behaviour will be perceived as interpersonally unfair not just by that employee representative but also by the rest of the employee representatives group. The employee representatives group can be considered as one with common goals and interests as they share a role with a common aim to represent the interests of the workforce. Masterson et al. (2000) argue that the quality of treatment will affect attitudes about the supervisor (in this case management representatives and Chair) through leader-member exchange. Simons and Roberson (2003) argue that because employees tend to consider their supervisor as one of the organisation's key representatives, interpersonal justice can have an effect on organisational commitment (in this case JCC commitment too).

For the purposes of this thesis, the Byrne and Cropanzano (2001) definition of organisational justice will be used because it is the one most used by authors and also because it covers all organisational settings. Additionally, the four dimensions of justice will be utilised, firstly because it is expected that examining the four dimensions separately will provide different effects of organisational justice and, secondly because I agree with Paterson et al.'s conclusion that "separating clearly between four

elements will further our understanding of these issues, whether there are four dimensions of organisational justice, or three dimensions and explanations/excuses as antecedent” (2002: 395).

### **Interactions among the four justice dimensions**

Scholars have studied the interactions among the different types of justice and have found that their effects interact with each other in different ways. For example, work attitudes are affected more by procedural justice when outcomes are low, than high, and in turn outcomes are more strongly related to work attitudes when procedures are perceived to be unfair rather than fair (Brockner and Wiesenfeld, 1996).

Van Den Bos et al. (1998) found that even unfavourable outcomes can be perceived as fair if there are fair process conditions and if people get a voice during the decision process – this is known as ‘fair process effect’. In a situation where the outcome is positive for the individual then the effect of procedural justice is low. Brockner and Wiesenfeld (1996, 2005) found that procedural justice has less positive effects when outcome favourability is high. In situations where no explicit information on procedural fairness is given, and the outcome is unfavourable, people perceive the process as less fair, and as fairer when the outcome is favourable (Cropanzano et al., 2001).

Further interaction effects may also exist between the justice dimensions. Research by Saunders et al. (2002) suggests that the impact of different types of justice may depend on the type of information and the order in which the information is received. Earlier, Bies and Shapiro (1987) investigated interactions between informational justice and other justice dimensions and found that when an explanation is offered for the decision, people perceive the procedures and outcomes to be fairer – the ‘fair information effect’.

These interactions might prove to be useful when exploring justice perceptions within a JCC context. A ‘fair process effect’ and ‘fair information effect’ could be plausible if explanations are given to the JCC about the decision and the JCC is given a voice during the procedures when for example a redundancy decision is made. Similarly, if outcome favourability is high, when an extra holiday is given without consultation for example, then JCC representatives will not be interested in the fact that they did not have the chance to express their opinions before the decision was taken.

## **Overall justice**

The above interactions between justice dimensions suggest that individuals take more than one dimension into account when making a justice judgement and that they evaluate fairness in a holistic way. Fairness heuristic theory (Lind, 2001; Lind and Tyler, 1988) argues that justice relevant information derived from distributive, procedural, informational and interactional experiences are processed to form an overall justice judgement. Once this judgement is formed, it will then influence individuals' attitudes and behaviours. Research has been concerned with understanding overall justice (Cropanzano and Ambrose, 2001, Ambrose and Arnaud, 2005) and how the four dimensions of justice influence it. Overall justice is concerned with an individual's global justice evaluation about an organisation, an experience or another individual (Ambrose and Schminke, 2009; Kim and Leung 2007).

Cropanzano and Ambrose (2001) argue that although individuals may not distinguish between distributive and procedural justice, they could still interact to predict an overall justice reaction. Shapiro (2001) similarly argues that individuals form a general impression about an event without asking themselves how many types of injustice they are experiencing and if and how they are linked. An overall measure of justice may be more parsimonious with how individuals actually experience justice (Holtz and Harold, 2009) and so provide a more accurate measure of the underlying construct (Ambrose and Schminke, 2009). For this reason, when examining the relationship between justice and JCC outcomes, an overall justice measure is used.

## **JUSTICE WITHIN ORGANISATIONAL SETTINGS**

Greenberg (1990: 415) states that "one of the most important benefits of organisational justice conceptualisations is that they may be used to explain a wide variety of organisational behaviours". When individuals experience unfairness that leads to loss of positive outcomes or that negatively impacts on their standing in their group for example, they can react in many ways in an effort to correct the injustice. These reactions can have adverse consequences for the organisation. Employee perceptions of injustice can lead to attitudinal and behavioural changes (Konovsky, 2000), for example reduced levels of motivation and productivity (Conlon et al., 2005) and commitment (Folger and Konovsky, 1989).

Conlon et al. (2005), in a review of organisational justice effects, talk about the 'the good, the bad and the ugly'. Good effects of justice judgements are task performance [here it is procedural justice that has a greater impact] (e.g. Earley and Lind, 1987; Lind and Tyler, 1988) and compliance. When talking about compliance the authors focus on two forms; "the first represents situations where parties accept

rather than reject decisions or outcomes made by others that are often not in one's favour" (Conlon et al., 2005: 306) and the second is examined "in terms of the continuance of a line of behaviour (e.g. choosing to interact in the future with the same person or service provider rather than with someone else)" (ibid: 306). Bad effects include the so called 'withdrawal behaviours' such as turnover intentions, absenteeism and employee silence. Lastly, the ugly effects are examples of counterproductive work behaviour (CWB) (e.g. theft, tardiness, disciplinary problems, sabotage, verbal and physical abuse).

For these reasons it is important to understand organisational justice, and what causes unfair perceptions in order to reduce to a minimum adverse behaviours. As JCCs are bodies that significantly rely on the attitudes and behaviours of their participants, especially sustaining good relationships among management and employee representatives, understanding justice within a JCC context is also important.

## **JUSTICE AND JCCs**

Millward et al. (2000), in their review, examine the relationship between voice and employees' perceptions of management responsiveness and fairness. Specifically, they examined whether the expression of employee voice is related to a greater degree of fairness on the part of management (ibid: 132). They found that a dual-channel (representative and direct voice) arrangement was perceived as more important in promoting fair treatment in the workplace. In this case justice is an outcome of voice arrangements. But what is the role and impact of justice on voice mechanisms, and in particular JCCs? Can JCC participants' perceptions of fairness lead to perceptions of JCC effectiveness?

Dietz and Fortin (2007) is the only theoretical paper that considered the role of justice within a JCC context. They argue that different dimensions of justice are likely to be experienced at the different stages of their model, with their salience varying across the stages. Concerning the importance of the four dimensions of justice, they argue that distributive, procedural and information justice will be more influential at the 'pre-voice history' stage; procedural justice at the 'design' stage; procedural and informational justice at the 'preparations' stage; procedural, informational and interpersonal justice at the 'first meeting' stage; and distributive justice at the 'subsequent meetings' stage. It is believed that perceptions of fairness formed through the stages, will contribute to perceptions of JCC effectiveness and lead to positive JCC outcomes. Specifically, it is expected that positive outcomes, fair process and harmonious relations will lead to perceptions of effectiveness.

Korsgaard et al. (1995) examined how decision-making procedures can aid the positive attitudes that are considered necessary for cooperative relations in decision-making teams and found that when there

is consideration of a member's input and influence on a decision this will affect their perceived procedural fairness and consequently their commitment and attachment to the team and trust to the leader. Considering the above within a JCC context, especially since a JCC can be involved in decision-making, it is expected that perceptions of procedural fairness will affect participants' commitment and attachment to the JCC and trust to the Chair.

The positive effects of justice on outcome satisfaction have been supported by several studies (Folger and Konovsky, 1989; Lowe and Vodanovich, 1995; McFarlin and Sweeney, 1992; Sweeney and McFarlin, 1993), while justice was positively associated with organisational performance in Greenberg (1988). Folger and Konovsky (1989) examined the impact of distributive and procedural justice on 217 employee reactions to pay raise decisions and found that distributive justice accounted for more variance in satisfaction with pay, while procedural justice contributed to organisational commitment and trust in the supervisor. Similarly, Lowe and Vodanovich (1995) found distributive justice to have a stronger effect on employee satisfaction and commitment. From a behavioural perspective, the importance and positive effect of justice in shaping cooperation have been highlighted in Pfeffer and Langton (1993), De Cremer and Tyler (2005), and Rankin and Tyler (2009). In a JCC context, cooperation can be interpreted as partnership working.

A great deal of research has examined the effects of justice on behavioural, attitudinal and organizational outcomes. Though we could not find any studies about justice and its effects in a JCC context, it is likely that it [justice] will have similar effects as the ones found in studies linking positive organisational justice perceptions with outcome satisfaction (e.g. Folger and Konovsky, 1989), performance (Greenberg, 1988), and cooperation (Pfeffer and Langton, 1993).

Such effects are plausible in a JCC context and therefore, the following relationship is expected:

*Hypothesis 1:* Justice is positively associated with (a) JCC usefulness, (b) JCC performance, (c) outcome satisfaction and, (d) partnership.

## **SUMMARY**

The aims of this chapter were to examine the key literature on organisational justice, and more specifically the potentially important role justice can play in shaping the relationships within a JCC.

This chapter presented theories of justice that integrate the justice dimensions in an effort to explain why justice matters to people and how people react to justice judgements. The most prominent and

widely applicable theories of justice judgement processes that explore the above questions are the instrumental model; the group-value model or relational model; fairness theory; the deontic or moral virtue model; and fairness heuristic theory. These were presented in turn, with a discussion on how they might be useful in explaining JCC participants' justice judgements.

Next, definitions of organisational justice were provided, including the four distinct components of justice (distributive, procedural, informational and interpersonal) and their impact on overall justice, and several justice outcomes within organisational settings were discussed, before examining why justice might be important in a JCC context. The Dietz and Fortin (2007) model and the authors' predictions on the impact of justice dimensions on the JCC process were presented and hypotheses on the effect of justice on JCC outcomes were proposed.

## 4. Trust

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### INTRODUCTION

This chapter will introduce the concept, providing definitions of trust and factors of trustworthiness, presenting different approaches within the literature on how trust develops over time and its effects within organisational settings and explore why trust might be important within JCCs.

### DEFINING TRUST

Throughout the literature, one notices the existence of diverse approaches and definitions, while at the same time the multidimensional character of the term is recognised (Mishra, 1996; Rousseau et al., 1998, Whitener, 1997; Bigley and Pearce, 1998; Kramer, 1999; Costa, 2003; Hosmer, 1995; Hwang and Burgers, 1997; Clark and Payne, 1997).

Most definitions of trust entail a three-stage process (McEvily et al., 2003): trust as a belief, where one party assesses the other party's trustworthiness (Lewicki et al., 1998); trust as a decision, where one party, based on its previous beliefs, has "the intention to accept vulnerability based upon positive expectations of the intentions or behaviour of another" (Rousseau et al., 1998: 395); and trust as an action, where, according to Mayer et al. (1995) the parties engage in risk-taking activities after having evaluated their target's trustworthiness. Dietz and Fortin (2007) believe that two sources of trust evidence are expected to influence the effectiveness of a JCC: firstly, the trustworthiness of the voice process itself (the structure and design) and, secondly, the committee's members.

Whitener et al. (1998) use a three-faceted definition: a) "trust in another party reflects an *expectation* or belief that the other party will act benevolently", b) "trust involves a *willingness to be vulnerable* and risk that the other party may not fulfil that expectation" and c) "trust involves some level of dependency on the other party" (Whitener et al., 1998: 513). Similarly, Robinson (1996) defined trust as a person's "expectations, assumptions or beliefs about the likelihood that another's future action will be beneficial, favourable or at least not detrimental" (1996: 576).

In a slightly different conceptualisation, Barney and Hansen (1994) portray trust as mutual confidence that there will be no exploitation of each other's vulnerabilities and continue to describe trustworthiness as an idea that characterises someone who will not exploit the other party and is worthy of the others' trust.



In the above definitions positive expectations, vulnerability and risk appear central to all. According to Luhman (1979) risk is a prerequisite when one chooses to trust, while Rousseau et al. (1998) believe that it creates an opportunity for trust. Mayer et al. (1995: 724) state that “there is no risk taken in the willingness to be vulnerable, but risk is inherent in the behavioural manifestation of the willingness to be vulnerable. One does not need to risk anything in order to trust; however, one must take a risk in order to engage in a trusting action. The fundamental difference between trust and trusting behaviours is between a ‘willingness’ to assume risk and actually ‘assuming risk’. Gambetta (1988: 217) proposes that risk taking involves “engaging in some form of cooperation” with the other party and Lewicki and Bunker (1996) argue that trust is not only positive expectations about the intentions of others, but also considerations concerning the potential risks involved.

For the purposes of this thesis, the three-stage process of trust (McEvily et al., 2003) will be used because of its holistic approach, from belief to action.

## **FACTORS OF TRUSTWORTHINESS**

McEvily et al. (2003: 93) distinguish trust and trustworthiness commenting that “because we define trust as an expectation, the distinction between trustworthiness and trust is based on the actual versus perceived intentions, motives and competencies of a trustee-the former being trustworthiness and the latter being trust. Without trustworthiness trust is not sustainable”. Butler (1991) identifies 10 conditions that lead to trust: availability, competence, consistency, fairness, integrity, loyalty, openness, overall trust, promise fulfilment and receptivity.

A widely acknowledged and commonly used model is that proposed by Mayer et al. (1995). They suggest three characteristics of another’s trustworthiness: *ability* (A)-set of skills and competencies that will enable a party to perform reliably (ibid: 717), *benevolence* (B)-suggests attachment to the other party, the extent to which the other party is believed to be concerned for the trustor (ibid: 718) and *integrity* (I)-the trustee’s adherence to certain principles acceptable by the trustor (ibid: 719). They continue to propose that the level of perceived trustworthiness depends on the existence of these three factors and emphasize that a lack of any of them would weaken trust.

The Mayer et al. model focuses on the trusting relationship between two parties in an organisational setting - a trusting party [trustor] and the one to be trusted [trustee]. Within this kind of relationship, the two parties will evaluate evidence about the other party’s ability, benevolence and integrity and reach a decision to trust or not the trustee. According to the authors, this belief about the other party’s trustworthiness will also be influenced by the trustor’s propensity to trust. That is, his or hers “general

willingness to trust others” (Mayer et al., 1995: 715). Once the evidence has been gathered, the trustor will assess the risk involved in deciding to trust the other party [the authors are comparing the level of trust with the level of perceived risk in the situation (ibid: 726)]; if the trust level is bigger than that of perceived risk, then the trustor will engage in an action of trust, in other words, in the “risk taking in the relationship” (ibid: 726). Involvement in a JCC entails a certain amount of risk (i.e. communicating highly confidential information), therefore trust is required for involvement to happen. Colquitt et al. (2007), in their meta-analysis of trust, trustworthiness and trust propensity, identify trust propensity and trustworthiness as trust antecedents and find that all three components of trustworthiness [ability, benevolence and integrity] have a unique and significant positive relationship with trust. It is expected that within a JCC, the committee’s members (both managers and employees) will evaluate the other participants’ trustworthiness before deciding to engage in an action of trust.

In a similar vein, in their article on managerial trustworthy behaviour, Whitener et al. (1998) propose a five factor model that influences the employees’ perceived trustworthiness of their managers: (a) behavioural consistency, which means positive and predictable behaviour enhancing trust level: “If managers behave consistently over time and across situations, employees can better predict managers’ future behaviour, and their confidence in their ability to make such prediction should increase” (ibid: 516); (b) behavioural integrity, referring to consistency between the party’s words and actions; (c) sharing and delegation of control, which has to do with whether the other party feels involved. This is very important because “when managers share control they demonstrate significant trust in and respect for their employees” (ibid: 517). In the case of a JCC, such trustworthy behaviour would mean managers being willing to share control over the meetings, for example, by, both management and employee representatives chairing the meetings in turn; (d) communication, as having a positive effect on trust when it is accurate and true. Emphasis on the effect of communication on the level of perceived trustworthiness is also given by Becerra and Gupta (2003). Specifically, they comment that the frequency of communication between the involving parties moderates the impact of the other factors on trustworthiness; (e) demonstration of concern, which consists of actions that demonstrate sensitivity and interest to the other party’s needs. Benevolence itself consists of three actions: “(1) showing consideration and sensitivity for employees’ needs and interests, (2) acting in a way that protects employees’ interests, and (3) refraining from exploiting others for the benefit of one’s own interest” (ibid: 517). Each of these five characteristics will be considered when examining managerial trustworthy behaviour within a JCC.

## **TRUST DEVELOPMENT**

Apart from the factors of trustworthiness, trust also needs time to develop. Repeated actions indicative of a trustworthy behaviour “generate a spiral of rising trust” (Fox, 1974: 71), or as Pettit (1995: 210) comments, “trust builds on trust” and “tends to grow with use, not diminish”.

A distinction is made in the trust literature between two different traditions that have emerged (Kramer, 1999; Lewicki et al., 2006): the behavioural tradition of trust and the psychological tradition of trust. Both of these traditions have different views on how trust develops over time. Within each tradition, a significant amount of knowledge has been accumulated which provides researchers with different approaches to understanding its causal elements and dynamics (Lewicki et al., 2006: 992). In order to better understand these different trust development theories, a short evaluation of both ‘camps’ follows and then an exploration of the theories of trust development.

### **Behavioural tradition**

Behavioural approaches view trust in terms of individuals’ rational-choice behaviour (Kramer, 1999; Lewicki et al., 2006). From this perspective, decisions about trust are observable behaviours made by an actor in a rational, calculative, efficient way to maximise expected gains or minimise expected losses (Kramer, 1999). Within this context, cooperation is seen as an observable manifestation of trust which is the outcome of rational thinking (Axelrod, 1984; Lewicki et al., 2006). The trustor (the person who will choose to trust or not the other party) must decide how much, if at all, to cooperate with the trustee (the person that receives trust) taking into account the trustee’s motives and intentions (Lewicki et al., 2006).

A number of concerns have been raised about viewing trust as a rational decision. First, because trust is operationalized in terms of different levels of cooperative behaviour, shifts in that behaviour are presumed to reflect changes in trust levels. Such shifts may be seen as shifts in the individuals’ trust but it could also be due to other factors unrelated to trust, such as indifference or boredom (Lewicki et al., 2006). Moreover, the behavioural approach focuses more on the action itself and does not consider the causes that lead to that action, since it attributes it to rational thinking, making it more difficult to reach accurate inferences about trust levels from exploring changes in cooperative behaviour (Lewicki et al., 2006). Secondly, the adequacy of this approach has been questioned in terms of competently describing how individuals reach a decision to trust another. As Kramer (1999: 573) states, “the extent to which decisions about trust, or any other risky decision for that matter, are products of conscious calculation and internally consistent value systems is suspect” and “such conceptions afford too little role to

emotional and social influences on trust decisions". In other words, authors question the idea that individuals always use rational thinking in order to maximise gains when deciding to trust another.

## **Psychological tradition**

In response to the above limitations, trust researchers have suggested that an organisational trust theory that incorporates the social and relational underpinnings of trust decisions is more appropriate (Kramer, 1999; Mayer et al., 1995; McAllister, 1995). By including affect, intentions, expectations and dispositions, the psychological approach attempts to comprehend the complex interpersonal states associated with trust (Mayer et al., 1995; Rousseau et al., 1998) and "allow for the possibility that trust may result from other factors in addition to, or instead of, strict rationality" (Lewicki et al., 2006: 996). In other words, it emphasizes and focuses on affective and cognitive processes and considers the causes that lead to an action of trust (Jones and George, 1998; Mayer et al., 1995; McAllister, 1995; Lewicki et al., 2006). Within this tradition there are three more specific conceptualisations of trust development as identified by Lewicki et al. (2006):

### *The unidimensional model*

This approach considers trust as a single construct where trust and distrust are considered opposites, and suggests that trust has cognitive, affective and behavioural elements (Jones and George, 1998; McAllister, 1995; Lewicki et al., 2006). The cognitive element encompasses the beliefs about the other party's trustworthiness, whilst the affective or emotional element highlights the emotional bond that is experienced in a trusting relationship, while to trust behaviourally "involves undertaking a course of risky action based on the confident expectation (cognitive basis) and feelings (emotional basis) that the other will honour trust" (Lewicki et al., 2006: 998).

### *The two-dimensional model*

Unlike the unidimensional approach, here, trust and distrust are viewed as separate constructs but having the same elements already identified above (cognitive, emotional, and behavioural) (Lewicki et al., 1998). In this perspective, both constructs are a continuum; trust ranges from low to high trust and distrust from low to high distrust (Lewicki et al., 2006). Lewicki et al. (1998) carefully point out that low distrust is not the same as high trust nor does low trust necessarily translate into high distrust and argue that, due to the complexity of most interpersonal relationships, "there may be simultaneous reasons to both trust and distrust another within the same relationship" (Lewicki et al., 2006:1002).

Although trust and distrust are seen as separate constructs within the two-dimensional approach, Lewicki et al. (1998) argue that, as the parties experience each other in a variety of transactions, the levels of trust and distrust will change and propose an integrating model of trust and distrust. As they state, “relationships mature with interaction frequency, duration, and the diversity of challenges that relationship partners encounter and face together. Each of these components is essential. If the parties interact frequently and over a long period of time but only superficially, or if they have an issue-rich and frequent exchange but do so only around a limited and bounded problem, or if they interact around many issues but do so infrequently, these conditions limit the potential for the relationship to mature. Alternatively, if these components combine, the knowledge of each relationship partner is enhanced” (ibid: 443). Possible combinations of both constructs are low trust and low distrust, where we find relationships low in richness and a limited number of facets, mostly due to lack of relevant information. Progressively, and as the relationship grows, this approach suggests that we move into a high trust – low distrust stage, where positive experiences have enhanced trust and few negative experiences have reinforced distrust. Over time, and as the interdependence develops, the relationship moves to new facets. That could mean a low trust – high distrust situation where “many negative experiences have enhanced distrust and few positive experiences have enhanced trust” (Lewicki et al., 2006: 1005), or a high trust – high distrust situation where “an individual has developed confidence in those facets of the relationship where trustworthiness has been established yet is also wary of those facets where negative experiences warrant distrust” (ibid: 1005). The figure (4.1) below describes this trust-distrust integration and the relationship characteristics likely to be encountered.

**Figure 4.1:** Integrating Trust and Distrust: Alternative Social Realities

<b>High Trust</b> <b>Characterized by:</b> <b>Hope</b> <b>Faith</b> <b>Confidence</b> <b>Assurance</b> <b>Initiative</b>	High value congruence Interdependence promoted Opportunities pursued New initiatives	Trust but verify Relationships highly segmented and bounded Opportunities pursued and downside risks/vulnerabilities continually monitored
	<b>Low Trust</b> <b>Characterized by:</b> <b>No Hope</b> <b>No Faith</b> <b>No Confidence</b> <b>Passivity</b> <b>Hesitance</b>	Casual acquaintances Limited interdependence Bounded, "arms-length" transactions Professional courtesy
	<b>Low Distrust</b> <b>Characterized by:</b> <b>No Fear</b> <b>Absence of Skepticism</b> <b>Absence of Cynicism</b> <b>Low Monitoring</b> <b>Nonvigilance</b>	<b>High Distrust</b> <b>Characterized by:</b> <b>Fear</b> <b>Skepticism</b> <b>Cynicism</b> <b>Wariness and Watchfulness</b> <b>Vigilance</b>

**Source:** Lewicki, R. J., Tomlinson, E. C. & Gillespie, N. (2006: 1003).

The main point of debate between the above two models is that the two-dimensional model is more domain specific. In other words, while with the unidimensional model, authors evaluate overall perceptions of trust in a relationship, the two-dimensional model allows for both trust and distrust to exist in the same relationship but in different situations. In the case of a JCC, we would adapt the two-dimensional model as it gives the opportunity to examine the relationship within different contexts (relationships may be defined differently in and outside of the committee). An example would be a manager who trusts an employee to perform their job competently but at the same time does not trust them to perform duties relevant to the committee’s operation and agenda.

### *The transformational model*

The third psychological approach, instead of examining trust and distrust from a unidimensional or two-dimensional perspective, suggests that trust transforms over time through different types (Lewicki et al., 2006).

The third model seems not to be mutually exclusive of the other two. We can observe transformations in a relationship through time regardless of whether we look at it as a whole or explore its multiplex character and examine it within different domains. In our previous example of the manager and the employee representative we can say that, as a single continuum distrust can be transformed to trust, by providing a set of new abilities to that employee via training. From a domain specific that would mean that we have a movement from a high trust (to perform job specific tasks) and high distrust (to be a competent employee representative) to high trust and low distrust (or low trust or high trust). For example, through the provision of training that would give evidence of the employee's abilities to the manager.

Within the behavioural tradition, researchers who explored trust and cooperation presumed the level of trust to begin at zero, with participants relying on their predisposition and analysis of the situation to decide whether to cooperate or not (Axelrod, 1984; Lewicki et al., 2006). Based on Fox's (1974: 67) point that "the essential character of all trust relations is their reciprocal nature", this approach portrays trust as positively developing over time when individuals decide to reciprocate cooperation, and drastically declining if the other party does not reciprocate (Axelrod, 1984; Lewicki et al., 2006).

Research within the psychological tradition seems richer when exploring trust development. Lewicki, Tomlinson and Gillespie (, 2006: 1001) recently classified Ferrin's (, 2003) fifty elements contributing to trust development into these categories:

- Characteristic qualities of the trustor (e.g., disposition to trust)
- Characteristic qualities of the trustee (e.g., general trustworthiness, ability, benevolence, integrity, reputation sincerity)
- Characteristics of the past relationship between the parties (e.g., patterns of successful cooperation)
- Characteristics of their communication processes (e.g., threats, promises, openness of communication)
- Characteristics of the relationship form between the parties (e.g., close friends, authority relationships)

- Structural parameters that govern the relationship between parties (e.g., availability of communication mechanisms, availability of third parties, etc).

These categories of characteristics and structural parameters contribute to the initial trust formation and its development over time as individuals constantly assess the above information throughout their relationships.

Within the unidimensional model of trust Lewicki et al. (2006) identify three formulations of initial trust formation: (a) a zero-trust baseline; (b) an initial moderate –high trust baseline and (c) an initial distrust baseline.

In the first situation, approaches assume that trust starts at a zero point and develops gradually with Jones and George (1998) emphasising that the zero point passes quickly as individuals are faced with a choice to trust or not. In this situation the individual “simply suspends belief that the other is not trustworthy and behaves as if the other has similar values and can be trusted” (Jones and George, 1998: 535). Then people will use that first encounter to test whether their trust judgement was valid.

Arguing against the zero-trust baseline view, several authors believe that at the early stages of a relationship, people experience high levels of trust. In this context, McKnight et al. (1998) explore the creation of trust in a new relationship using a cognitive approach. By examining what they call the “paradox of high trust in initial relationships” (1998: 473) they propose that trust will emerge through the individual’s disposition to trust the other party, cognitive processes used to assess the other party’s behaviour and the presence of institutional cues and structural assurances which help the development of trust without first-hand knowledge. This pre-disposition is then distinguished into two types: a) faith in humanity; belief in the well-meaning of others and b) trusting stance; belief that treating people as if they are reliable will lead to better relational outcomes. Their main argument is that the more of these antecedents of trust are present during the initial formation of the relationship, the less fragile it will be. Note that the examination has to do with the initial formation of trust and, when that time passes, other trusting processes take place relying on an already existing relationship.

This model can provide us with some useful insights on the initial trust formation within a joint consultation environment since it is possible for the newly appointed members to not have first-hand knowledge about each other. In addition, the implementation of institutional and structural assurances in the design of the committee would provide more strength for trust to develop at the beginning of the relationship.

Viewing it from the perspective of distrust, Lewicki et al. (2006: 1000) indicate “that it is possible for individuals to begin encounters with initial distrust (or, “negative” trust), and this occurs broadly for



three reasons: (a) cultural or psychological factors that bias individuals towards initial distrust; (b) untrustworthy reputation information about another, suggesting that distrust is appropriate; or (c) context or situational factors that warrant such an early judgement”.

Lastly, from a transformational approach, Lewicki and Bunker (1996), triggered by Shapiro et al.’s (1992) model, suggest that trust develops gradually and matures through time and in three stages, each stage involving a different type of trust and with the transition from one stage to the next being sequential. Their model assumes that the relationship into which the two parties are entering is a new one and then examine its development over time. At the beginning, the relationship starts with a *calculus-based trust*: it is an on-going relationship based on market-oriented and economic calculations where the parties have little information on the other party’s trustworthiness and relationships are mostly based on the desire to maintain a good reputation. At this stage trust is fragile. Given that time passes and information and credible evidence exist, trust moves to *knowledge-based trust*. Here, parties have a history of interaction that allows them to develop expectations about the other party’s actions. Predictability and a belief in the other party’s trustworthiness enhance trust. Some relationships move a step further and mature to a point where the parties identify each other’s desires and intentions. Trust is now *identification-based trust* and is based on mutual reciprocity and consistent positive outcomes. The relationship is now mature to a level that one can act as a substitute for the other.

In a similar view, Rousseau et al. (1998) add two more types of trust, *deterrence-based trust*, which is based on a belief that the other party will be trustworthy because of the existence of sanctions and punishments if trust is breached, and *relational-based trust*, which is based on information from within the relationship and is characterised by high levels of reliability and dependability in previous positive outcomes. Dietz and Den Hartog (2006), in their continuum of degrees of intra-organisational trust, place deterrence-based trust before calculus-based, and relational-based after knowledge-based.

These stages of trust development can be very useful when exploring the exchange relationships in a JCC, as they can help us identify the initial trust level when the decision is made to establish a committee and if it has developed to the next stages after being in full operation.

## **THE ROLE OF TRUST WITHIN ORGANISATIONAL SETTINGS**

Approaching the subject from a different angle and moving away from theories of trust development, Dirks and Ferrin (2001) explore two models that explain the positive role of trust within organisational settings. The first is the model that presents trust as having a direct effect on attitudes, behaviours, perceptions and performance outcomes and is the prevailing one in the existing literature. The authors

imply that this model does not represent the only way that trust might have positive consequences and propose a second model which suggests that trust moderates the effects of other determinants on the above outcomes via two processes: firstly, by affecting the assessment of another party's future behaviour and secondly, by affecting the interpretation of past (and present) actions and the motives underlying them. In this way, trust is acting as a moderator and "by impacting the assessment of the other party's future or prior actions, it reduces some of the concomitant uncertainty and ambiguity" (ibid: 456).

Trust as a moderator has again been examined by Dirks (1999) in his study of the effects of interpersonal trust ["a belief about the dependability of the partner and the extent to which the partner cares about the group's interests" (ibid: 446)] on work group performance where he provides support on the indirect influence of trust on work group performance and processes. Specifically, it affected the way in which motivation (and other inputs) was transformed into joint efforts and higher performance.

Interesting results have also been generated by Costa's (2003) study of the relationship between work team trust and effectiveness. Through her research Costa found supporting evidence that high levels of trust between team members are positively related with task performance, team satisfaction and attitudinal commitment and negatively with continuance commitment. These findings can be useful while examining the role of trust in a JCC, since it can be described as a work team (having common goals and objectives recognised by management and employees), where commitment and high performance are vital for its success.

In their study of the role of intra-group trust in task and relationship conflict in management groups, Simons and Peterson (2000) established the pivotal role of trust within group processes and suggested that consequences of task conflicts could be avoided by an enhancement of trust within the group. Their research, though, had some limitations as their conclusions were drawn from just one study in a certain context thus restricting the ability to generalise beyond this context.

Research examining the links between trust, team performance, and teamwork, especially the role of trust in works councils, which could be useful to this analysis, is sparse in the existing literature. Jones and George (1998) theorise how trust influences teamwork and cooperation and propose that it is unconditional trust that may result in cooperation and teamwork through direct and indirect ways. It affects the levels of cooperation and teamwork indirectly by promoting seven social processes that can lead to synergistic team relationship. These are 1) broad role definitions, 2) communal relationships, 3) high confidence in others, 4) help seeking behaviour, 5) free exchange of knowledge and information, 6) subjugation of personal needs and ego for the greater common good and 7) high involvement (Jones and George, 1998).

## TRUST AND JCCs

Interpersonal trust in work relationships has been consistently shown to positively relate to a range of productivity related behaviours and outcomes (Gillespie, 2003), such as individual group level performance, as well as work-place cognitions and attitudes, such as job satisfaction and acceptance of decisions (see Dirks and Ferrin, 2001).

Kessler and Purcell (1996) found high levels of trust in successful joint working parties (a JCC can be seen as a joint working party). Driscoll (1978) examined employees' engagement in voice mechanisms and found that individuals' trust in organisational decision-makers was among the two aspects that predicted satisfaction – the other being the individuals' participation in decisions. From a management perspective, Spreitzer and Mishra (1999) examined how managers could involve lower echelon employees in decision making (mainly about their own job) without losing control; how to make themselves vulnerable without being taken advantage of by employees' own interests. Adopting Mayer et al.'s (1995) argument that risk taking requires trust and situational factors that minimise the level of perceived risk, they suggest that managers can maintain control through trust and two situational factors - communicating information on performance and aligning organisational and employee interests through reward systems. They collected survey data from top-managers (517) from 92 business units in 43 U.S firms in the automotive industry and found that senior managers' decisions to engage with their employees in employee involvement was influenced by employees' trustworthiness, as it reduced managers' perceived vulnerability. Furthermore, when managers decided to involve employees, organisational performance was enhanced. Other research has supported a positive association between trust and attitudes, behaviours, perceptions and performance outcomes (Dirks and Ferrin, 2001). Specifically, research has found a positive relationship between trust in the supervisor and job and task performance (Dirks and Ferrin, 2002; Aryee et al., 2002).

However, research focused on the effects of trust on JCC outcomes is scarcer. Kerkhof et al. (2003) found that higher trust in managers is associated with members who think councils to be influential, with fair decision-making procedures and quality treatment by managers. It is one of the few studies in the literature that examines trust among members of works councils. These results support the relational view of trust in management. Although the findings are extremely interesting, the writers did not examine the role of initial trust and past relationships and manager's trust in council members. Furthermore, the data was collected from Dutch works councils, where culture and industrial relations are of different structure and history than in the UK. Beaumont et al. (2005) argue that 'historical baggage', as they call the nature of the historical relationship between employees and management, is one of the factors influencing the nature of trust and how it is shaped and perceptions and expectations of the worth of consultative arrangements. Even though they recognise that this 'baggage' and the way

it influences perceptions of the value of a JCC are different, they believe that the reputations and stereotypes that emerge from historical experience and create trust pre-dispositions, will be influential. McAllister (1995) argues that in order for managers to assess their peers' trustworthiness, or in this case the employee representatives' trustworthiness, they will consider and evaluate their track record. Dietz and Fortin (2007) name this 'pre-voice history'.

Managerial attitudes are often seen as important to the existence of highly developed employee participation practices (Millward et al., 2000; Wood and Albanese, 1995; Wood and Menezes, 1998), suggesting that high level trust relationships between management and employees underpin such practices (Gollan and Wilkinson, 2007). Beaumont and Hunter (2005) identify trust as one of the key factors that determine the success of a consultation process, suggesting that it influences the broader historical relationship between employees and management, the expectations of both parties about the process and the representatives' degree of confidence in the organisational context. They attempt to develop a notion of trust that is more fine-grained within a joint consultation context. They argue that for joint consultation arrangements to work, trust should be present between constituents and their representatives, between the representatives of the joint consultation arrangement and between the representatives and the larger organisational context (Beaumont et al., 2005: 90). They suggest that high trust levels could be reached by implementing four basic guidelines at the starting point of the consultation process (Beaumont et al., 2005: 96):

1. consultation begins when the managements proposals are still at a 'formative' stage;
2. 'adequate' information is provided by management as a basis on which to respond;
3. 'adequate' time is provided for the employee representatives to respond; and
4. management exhibits a 'conscientious consideration' of the employee representatives' response.

Their findings are the product of "a number of completed and on-going case studies in which we have been engaged over recent years....that have involved interviews with managers, union and employee representatives, focus group exercises with employees and the completion of short questionnaire exercises" (ibid: 89). The authors do not provide details on the number of case studies, or sample size for the interviews conducted and questionnaires.

I argue that, as the joint consultation process is a constantly developing phenomenon, attention to sustaining high levels of trust should be placed not only at the start but throughout the process. If those four basic guidelines are not followed by measures to guide representatives through the next steps then the consultation process could possibly be marginalised.

Within a JCC context, several authors have identified trust as an important determinant of JCC effectiveness. McKnight et al. (1998) state that an individual assesses a situation as trustworthy if they believe that that situation is bounded by safeguards. Similarly, Beaumont et al. (2005: 95) talk about “establishing the ground rules of consultation”. They argue that developing and ensuring a clear understanding of the process of consultation can create a trusting relationship between JCC participants, which has the potential to lead to effective consultation. Beaumont and Hunter (2007) examine the impact of inter-party differences and relationships on consultation and identify trust as vital to its [consultation] long-term mutual benefits. Similarly, Gollan and Wilkinson (2007a) recognise that a high level of trust relations is needed to underpin effective consultation. Timming (2007) found that employees’ low trust in management led them to believe that the managerial strategy towards information and consultation was designed with the aim of evading their [management] responsibilities to inform and consult. Beaumont et al. (2005) argue that trust should be present for joint consultation to work effectively. Beaumont and Hunter, in two of their CIPD reports (2003 and, 2005) argue that trust relationships are one of the key factors that determine the success of a consultation process. This is also argued by Willmott (2004) in another CIPD report. Hammer (1997: 9 in Gollan, 2001) has suggested that in the absence of legislation that legitimises NER, the effectiveness of such programmes, is dependent on “the goodwill, trust, and power relationship between the parties”.

Dietz and Fortin (2007), in their theoretical paper, consider the role of trust within a JCC context and argue that elements of trustworthiness are likely to be experienced throughout the different stages of their model, with their salience varying across the stages. They use Mayer et al.’s (1995) factors of trustworthiness and argue that ability, benevolence and integrity will be more influential at the ‘pre-voice history’, ‘design’, ‘preparations’ (depending on the nature of preparations provided; i.e. ability when training is provided), and the ‘first meeting’ stage; and benevolence at the ‘subsequent meetings’ stage. It is believed that trust expectations will be formed during the first four stages, and whether these will be confirmed or disappointed throughout the ‘subsequent meetings’ stage will contribute to perceptions of JCC effectiveness.

Findings supporting a positive relation between trust and partnership are contradictory (Dietz, 2004; Roche and Geary, 2006; Guest et al., 2008). These studies mostly treat partnership as an antecedent of trust, though it has been suggested that trust can act as an antecedent, by initiating, legitimising and helping reinforce partnership (Dietz, 2004). Having noted this, as this study examines trust as an antecedent of JCC outcomes (partnership being one of them), it provides the opportunity to shed more light on the other side of the partnership-trust relationship.

Therefore, the following relationship is expected:

*Hypothesis 2:* Trust is positively associated with (a) JCC usefulness, (b) JCC performance, (c) outcome satisfaction and, (d) partnership.

## **SUMMARY**

This chapter introduced trust, and provided definitions of trust and factors of trustworthiness. Next, different approaches within the literature on how trust develops over time were presented, and its effects within organisational settings were explored.

This was followed by a discussion of the importance of trust in the formation of positive relationships between JCC participants and how this affects the process and effectiveness of a JCC. The Dietz and Fortin (2007) model and the authors' predictions on the impact of trust and different trustworthiness factors on the JCC process were presented and hypotheses on the effect of trust on JCC outcomes were proposed.

## 5. Industrial Relations Climate

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### INTRODUCTION

A workplace may be seen as having a particular IR climate, defined in terms of the degree to which relations between management and employees are seen by participants as mutually trusting, respectful and co-operative (Hammer et al., 1991). The IR climate in a workplace may be more or less cooperative or adversarial, and this is likely to have implications for the operation of JCCs. A positive, cooperative IR climate may be associated with participants feeling comfortable about working in partnership with their employee/management counterparts on the JCC and valuing the useful role a JCC can play in the organization. In contrast a negative, adversarial climate is more likely to be associated with participants feeling that the organizational and employee objectives on the JCC are inconsistent, so that they must choose to side with one or the other (Fuller and Hester, 1998; Magenau et al., 1988).

### DEFINING IR CLIMATE

Organisational climate represents an organisational characteristic which is greater, or different from the specifics of individual perceptions and has been used by researchers to understand how organisational structures affect the patterns of attitudes and behaviours within organisations (Dastmalchian, 2008). Dastmalchian et al. (1989) describe IR climate as a characteristic atmosphere in the organization, as perceived by 'organizational members' and thus, is a subset of the organizational climate, which refers to the norms, behaviours and attitudes reflecting how employees, unions and managers interact collectively with each other in the workplace.

Industrial relations climate is seen to portray the state and quality of union-management relations in an organization (Dastmalchian et al. 1989). In light of the decline in trade union density and coverage, and an associated increase in non-union workplaces, the increased use of direct voice, and the relationship between workplace practices and organizational performance, industrial relations climate has increasingly been recognized as a multidimensional concept (Kersley et al., 2006; Pyman et al., 2010). Hence a study of industrial relations climate would consider organizational structures, practices, processes and outcomes that influence, and are influenced by, daily union-management and employee-management interactions at the workplace, because union-management relations are only one dimension of climate (Barrett, 1995; Bryson, 2005; Kersley et al., 2006; Purcell, 1983). This notion captures what Hammer et al. (1991) define as IR climate, which is the degree to which labour-

management relations (irrespective of a union presence) are adversarial or cooperative. A harmonious IR climate would reflect relations between management and employees that are seen by participants as mutually trusting, respectful and cooperative (Hammer et al., 1991). The later definition is the one used in this thesis as the JCCs examined are in companies with no union presence.

## **IR CLIMATE UTILITY**

Studies that have used the concept of IR climate explore issues relating to dual commitment, industrial relations, team-working, high performance work practices and other changes and innovations in the workplace. Results have shown IR climate to be related to positive organisational and industrial relations outcomes (Dastmalchian, 2008).

There have been studies of organizational or workplace-level IR climate as an antecedent of organizational or workplace-level outcomes (e.g., Wagar, 1997; Deery and Iverson, 2005). In some studies this has involved single-respondent (managers or union officials) assessments of organisational IR climate and organizational performance, finding positive associations between climate and performance (Wagar, 1997). Others have used employee assessments aggregated to the workplace level, resulting in positive associations between workplace-level IR climate and workplace-level organizational commitment (Deery and Iverson, 2005).

Wagar (1997) in their study of IR climate, using a regional (392) and national (367) sample of Canadian organisations and a regional sample (280) of union officials, found that a more co-operative relationship between management and employees was associated with a number of positive organisational outcomes such as lower levels of turnover and absenteeism, conflict and a greater employee willingness to support change. Deery et al. (1999), using an individual level of analysis (random sample of 525 blue-collar employees) found that IR climate is associated with organisational commitment, union loyalty and absenteeism. In a recent study, Deery and Iverson (2005), using 305 branches of a large unionised banking organisation, identified procedural justice (management's willingness to share information with the union) as an antecedent of a cooperative IR climate. Their findings also showed that a cooperative relationship between employees and management contributed to improved customer service and higher productivity. Higher commitment to the organisation was also found to be an outcome of a cooperative IR climate. In their study of the UK steel industry, Bacon et al. (2005), using a longitudinal approach by collecting data on two separate occasions in three years (2,802 and 2,060 responses) found that positive IR climates were associated with collaborations between management and union when the companies introduced changes in shifts, work patterns and



team-working. Wu and Lee (2001) examined the relationship between employee attitudes towards participatory management and industrial relations climate in Chinese- Japanese- and American owned firms in Taiwan. They collected data from 303 employees from 12 firms and found that the harmony and openness aspects of IR climate had a significant and positive relationship with the effective use of participatory management, including the personnel, operational and social matters.

There is reason to believe that IR climate may influence JCC outcomes. Several US studies have found a positive relationship between IR climate and union/organization commitment (Angle and Perry, 1986; Magenau et al., 1988). This may reflect a credit or cognitive consistency effect, whereby in a positive IR climate individuals may be comfortable committing to both organization and unions/employee associations, who share the credit for the favourable climate (Angle and Perry, 1986; Magenau et al., 1988). In contrast, Deery et al. (1994), in a study of Australian public sector workers, found a negative relationship between IR climate and union commitment. This may reflect a stronger felt need for union representation and protection in a negative, perhaps threatening, work context. In a more recent study, Snape and Redman (2012), in a multi-workforce (31) sample (334) from North East England, treating IR climate as a workplace-level variable, also found a negative association between IR climate and union commitment.

Given that IR climate can be either cooperative or adversarial, it can be argued that the two extremes will have different effects on attitudes and behaviours. Dastmalchian (2008) in his review of the nature of IR climate, conclude that strategies that are based on creating IR climates based on trust, fairness and genuine desire to provide support to union and management (in our case, provide support to a JCC) can have positive outcomes for the organisation and the employees. Thus, positive trust and justice perceptions may be a response to a cooperative working environment and vice versa.

## IR CLIMATE AS A MODERATOR

Contextual variables, such as IR climate, can moderate the perceptions of and reactions to justice (Colquitt et al., 2005) and trust. Social information processing theory (Salancik and Pfeffer, 1978) also suggests that contextual variables have a significant influence on work related attitudes. The theory argues that the social environment can influence attitude judgements (such as trust and justice judgements) directly or indirectly through perceptions and standards (Salancik and Pfeffer, 1978). Fuller and Hester (1998: 174) argue that based on this theory, the type of labour relations climate (cooperative or adversarial) “union members encounter in the workplace should affect their attitudes and behaviours, so union participation models would be enhanced by viewing labour relations climate as a moderator rather than an antecedent or an outcome of specific variables”. Equally, we would expect a similar enhancement to the trust/justice – JCC outcomes model.

As trust and justice perceptions are not formed in a vacuum but within a certain environment, it is expected that the IR climate will act as a moderator, enhancing the relationship between trust, justice and JCC outcomes. Baron and Kenny (1986: 1174) explain that “a basic moderator effect can be represented as an interaction between a focal independent variable and a factor that specifies the appropriate conditions for its operation”. In this case, the independent variables would be trust and justice and the factor specifying the appropriate conditions would be the IR climate. Given the conflicting results from several studies (discussed in the previous section), with the “credit effect” (Snape and Redman, 2012) suggesting a positive relationship between IR climate and union commitment, and the “threat effect” (Snape and Redman, 2012) involving a negative one, I offer no directional hypotheses on the effect IR climate will have on the trust/justice and JCC outcomes relationship.

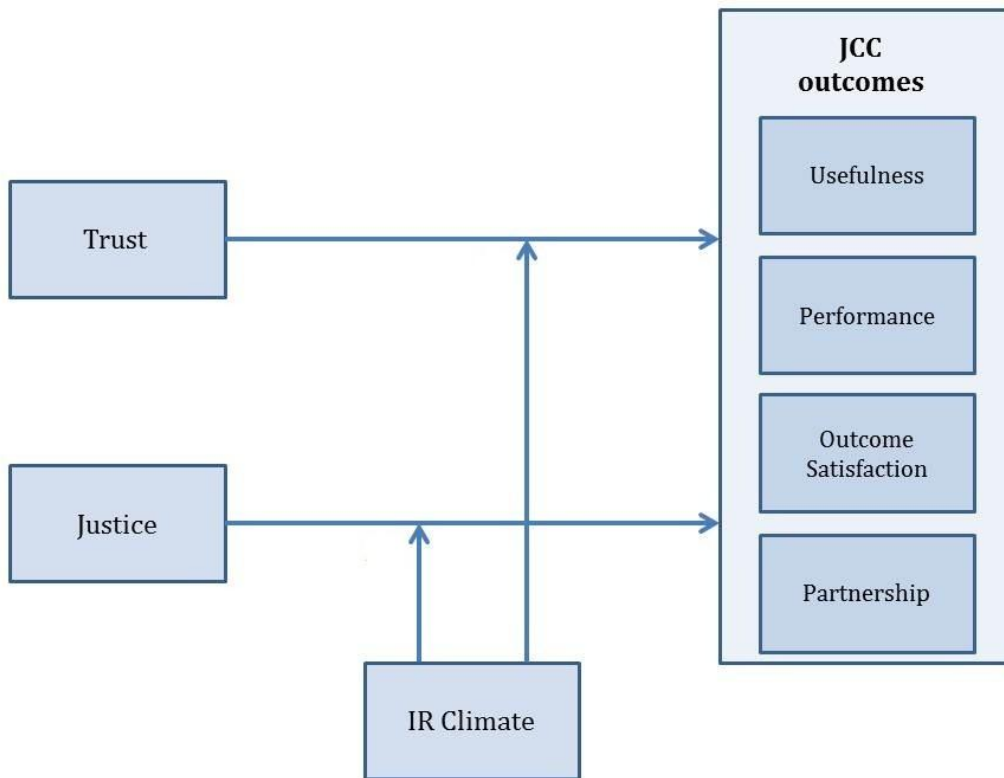
Specifically, it is expected that:

*Hypothesis 3:* IR climate moderates the effects of justice on (a) JCC usefulness, (b) JCC performance, (c) outcome satisfaction and, (d) partnership.

*Hypothesis 4:* IR climate moderates the effects of trust on (a) JCC usefulness, (b) JCC performance, (c) outcome satisfaction and, (d) partnership.

The direct and moderated effects discussed in chapters 3, 4, and 5 are illustrated in the conceptual model shown in Figure 5.1 below.

**Figure 5.1:** Conceptual model of the moderation effects.



## SUMMARY

It does appear that IR climate can provide a much improved explanatory ability in various studies and has been shown to be linked to positive organisational and industrial relations outcomes (Dastmalchian, 2008). IR climate has been useful when trying to understand the complexities, process and outcomes of workplace industrial relations (Dastmalchian, 2008). Research evidence also shows that co-operative IR climates contribute to organisational performance, in terms of productivity, service and quality, and higher levels of union loyalty and organisational commitment (e.g. Wagar, 1997; Deery and Iverson, 2005). As such, IR climate can prove to be a critical factor in the understanding of the workings of joint consultative committees. Whether this proves to be the case will be examined and discussed in chapter 9 of this thesis.

## 6. Research Methodology

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### INTRODUCTION

This chapter presents the methodology adopted for this study. The central research question is: *How does the relationship between the JCC delegates affect its operation and effectiveness, and what is the role of trust and justice in shaping these relationships?* The major research objective is thus to examine the link between the exchange relationships shaped within a JCC and the effectiveness of this arrangement, using trust and justice as theoretical lenses.

To provide answers addressing the study's research questions, in-depth, mixed-methods longitudinal case studies were carried out in the period from July 2009 to March 2011 in two organisations that had recently revamped and initiated a Joint Consultation process - a consultancy firm and a housing association.

The chapter begins with a discussion of research philosophy and the rationale behind the decision to adopt a case study strategy and a longitudinal mixed-methods approach. Next, a rationale and description is given about the choice of data collection techniques and the chapter concludes with an overview of the data analysis procedure.

### RESEARCH PHILOSOPHY

The research philosophy a researcher adopts contains assumptions about the way (s)he views the world. These assumptions, along with practical considerations (i.e. time constraints, access) to a lesser extent, will influence and support the researcher's strategy and method (Saunders et al., 2007).

Epistemology, ontology and research paradigms will be discussed next along with a more detailed argumentation about pragmatism, which I consider the most appropriate approach for this research project.

#### Epistemology

Epistemology is concerned with the nature, scope and limitations of knowledge. More specifically the questions concerning knowledge in terms of epistemology have to do with what knowledge is, in what

ways it can be acquired and how much can be known about a subject or an entity. “In modern epistemology, the question of knowledge is often phrased as the question of how the human mind can acquire knowledge of a world outside of itself” (Biesta, 2010).

A central issue is whether the social world should be studied following the same principles and procedures as the natural sciences (Bryman and Bell, 2011). Three major stances with different principles have been identified within epistemology: positivism, realism and interpretivism.

*Positivism* adopts the philosophical stance of the natural sciences where knowledge allows verification; this is also the case for social sciences. From a positivist perspective, authentic knowledge is derived by obtaining and verifying data that can be received from an observable social reality and with an end product that “can be law-like generalisations similar to those produced by the physical and natural scientists” (Remenyi et al., 1998: 32). One of the central components of this approach is that research is undertaken in a value-free way, as far as possible (Saunders et al., 2007), from an objective researcher, analyst and interpreter, with an emphasis on quantifiable observations that can be analysed statistically (Remenyi et al., 1998). In positivism, theory and research are distinct, with research used to test theories and provide material for the development of laws (Bryman and Bell, 2011). Positivist researchers believe the world is the same and does not change due to people’s understanding and interpretation. In other words, positivists argue that knowledge lies beyond people’s understanding and is the same regardless of people’s interpretation, contextual change or individual point of view. Positivists advocate the application of natural sciences methods to the study of the social reality (Bryman and Bell, 2011).

Critics reject the application of natural sciences methods to explore the field of social science, arguing that people and their institutions, which are the focus of social sciences, are fundamentally different from the subject matter of the natural sciences (Bryman and Bell, 2011). These differences include the unpredictable nature of human behaviour and the role meaning and consciousness play in human society (Benton and Craib, 2011). Connected to these differences are the relations between social scientists and their subject matter. For example, social scientists will select topics for investigation based on their moral or political values, and will be guided by those values when trying to understand and explain particular social phenomena; on the contrary natural scientists focus on the discovery of general laws, using methods that exclude value judgements (Benton and Craib, 2011). Guba and Lincoln (2005) argue that methodology is inevitably interwoven with particular disciplines and the researchers’ particular perspectives. Therefore, when the subject matter is people and their institutions, a researcher cannot be entirely independent and not affect or be affected by the subject of the research or carry out a value-free research. Furthermore, as Onwuegbuzie(2002) argues, although positivists claim that objective verification is the essence of science, they disregard the fact that throughout the research

process, many decisions made precede objective verification. From the beginning of the research decision, the researcher will have to choose the research topic, objectives, sample, data and (s)he will do that on the basis of her/his certain beliefs and interests. Thus, although the final instrument can produce objective scoring, because of the subjectivity built into the design and development process, any interpretations of findings cannot be 100% objective (Onwuegbuzie and Leech, 2005). Failure to attain 100% objectivity introduces subjectivity to any interpretation.

*Realism* is similar to positivism in that it also assumes that natural and social sciences should and can apply the same approaches for data collection and explanation, and that the reality is separate from people's description of it (Bryman and Bell, 2011). The theory of realism is that objects exist independent of the human mind; in other words, that mind and reality are autonomous (Saunders et al., 2007). Two major forms of realism are identified: direct realism and critical realism. Direct realism says that what we experience through our senses is an accurate picture of the world (Saunders et al., 2007) and knowledge depicts how objects are in themselves (Biesta, 2010). I find this approach naïve in that even if the world exists independently of the human mind, when trying to explain that reality or transmit that knowledge of the world, we use our mind and thus our interpretation of that reality and knowledge. Critical realists on the other hand recognise that a distinction exists between the objects that are the focus of enquiry and the terms used to account for, describe and understand them (Bryman and Bell, 2011). Critical realism can be seen as more relevant for business and management studies, in that it allows for multiple levels of understanding and a variety of structures and processes and not just one reality (Saunders et al., 2007). It can also be seen as an appropriate epistemology to adopt when researching JCCs, if the research project is only focused on the different levels of structure and processes that one could identify (e.g. JCC's structures and procedures and the organisation's structures and procedures) and the interaction with one another. However, when research also focuses on complex relationships and human interaction within a JCC, there is a possibility that rich insights into these relationships and interactions will be lost if a critical realism perspective is adopted. Sometimes quantifiable data alone cannot provide in-depth, profound insights into complex problems in the field of social sciences, including business and management studies. Especially when trying to understand the trust and justice relationships within a JCC, it is hard to believe that research can be complete with a collection of quantitative data only.

*Interpretivism* emphasises the necessity for the researcher to respect the differences between the objects of natural sciences and people and therefore necessitates the social scientist to grasp the subjective meaning of social action (Bryman and Bell, 2011). Schwandt (2000) notes that human action and people's inherent meanings distinguish social action from the movement of physical objects. This is a theoretical view that comes from the phenomenology and symbolic interactionism traditions (Bryman

and Bell, 2011; Saunders et al., 2007). “Phenomenology is a theoretical point of view that advocates the study of direct experience taken at face value; and one which sees behaviour as determined by the phenomena of experience rather than by external, objective and physically described reality” (Remenyi et al., 1998: 34). In other words, human beings give a meaning to social action and they act on the basis of the meanings they attribute to theirs and the acts of others (Bryman and Bell, 2011). When trying to understand the meaning of a person’s behaviour, phenomenologists try to see things from that person’s perspective (Bogdan and Taylor, 1975). In symbolic interactionism “we interpret the actions of others with whom we interact and this interpretation leads to adjustment of our own meanings and actions” (Saunders et al., 2007: 107). Therefore, social interaction takes place in a way that people continually interpret their environment’s symbolic meaning and act on the basis of that meaning (Bryman and Bell, 2011). Social constructivism, often combined with interpretivism, posits that individuals develop subjective meanings of their experiences, directed towards certain objects or things (Creswell, 2009). Creswell (2009) argues that these meanings are multiple and varied, leading the researcher to explore the complexity of views rather than narrowing meanings into few ideas. He continues by saying that the goal of research in such a context is to rely as much as possible on the participants’ views of the situation being studied (ibid: 9). Since trust and justice are human constructs, and trust and justice perceptions are highly dependent upon the perspective and interpretation of the individuals, I consider interpretivism/social constructivism as the most appropriate approach for this kind of research.

## **Ontology**

Ontology is the philosophical study of the nature of reality and of social entities (Bryman and Bell, 2011; Saunders et al., 2007). There are two aspects of ontology; objectivism and constructionism (also referred to as subjectivism).

*Objectivism* portrays the position that social phenomena and their meanings exist in a reality independent of social actors (Bryman and Bell, 2011). Adopting an objectivist approach would be easy to do when examining organisational structures and processes, as there is a greater possibility for these topics to have a reality that is separate from the people enacting the processes and working under the specific structures. Rules, regulations, and job descriptions assign object-like characteristics to organisations for example, and therefore an objective reality. However, it is harder to express reality in an ‘objective’ way when trying to explain human interaction. All this is some way from the position that a JCC has a reality that is separate from the delegates that perceive that reality. This is why constructionism is more appropriate when the subjects of the research are people.

*Constructionism* adopts the view that “social phenomena are created from the perceptions and consequent actions of social actors” (Saunders et al. 2007: 108). Constructionists believe that people have valuable knowledge about their situation and it is the job of the researcher to make that knowledge available (Humphries, 2008) and that social phenomena and their meaning are being accomplished by social actors (Bryman and Bell, 2011). Social phenomena being the product of social interaction also implies that they are in a constant state of revision (Bryman and Bell, 2011) as social interaction changes. When examining trust and justice perceptions and the way these might affect relationships within a JCC, it is crucial for the researcher to seek to explore and understand the subjective meanings and realities of the social actors in order to be able to make sense and draw meaningful conclusions about their motives, actions and intentions, and the impact participants’ interactions have on a JCC’s operation (structures and procedures). Therefore a constructionism ontological aspect is adopted in this thesis.

## **Research Paradigms**

Research paradigms are defined by Saunders et al. (2007) as “a way of examining social phenomena from which particular understandings of these phenomena can be gained and explanations attempted” (ibid: 112). A paradigm “guides people within a discipline in formulating questions deemed to be legitimate, identifying appropriate techniques and instruments and building explanatory schemes for the phenomena under consideration. It offers a framework within which individuals or groups choose certain research questions and approaches to accomplish their research ends” (Humphries, 2008: 9-10).

Burrell and Morgan (1979) identify four paradigms in order to generate insights into real-life issues and problems: functionalist, interpretive, radical humanist, and radical structuralist. These are arranged in relation to four conceptual dimensions: radical change, regulation, subjectivist and objectivist. Radical change adopts a critical perspective about the conduct of organisational affairs, and suggests fundamental changes to the normal order of organisational life. Regulation is less invasive in that its aim is to explain the conduct of organisational affairs and offer suggestions for improvements if need be, within the present framework.

The aim of the current research project is to explore the role of trust and justice perceptions, and the relationships created within a JCC, on the operation and effectiveness of that JCC and not to change the status quo of the JCC’s. This is something that might occur after the end of the research if ways for improvement have been identified. Following the discussion about epistemology and ontology and the



belief that interpretivism and constructionism/subjectivism are more appropriate for this study, the research paradigm that can be identified as most appropriate is the interpretive paradigm. Saunders et al. (2007) suggest that a researcher working within this paradigm would be concerned with understanding the fundamental meanings attached to organisational life. And this is the concern of this research project - to understand the trust and justice perceptions within a JCC (which can be seen as part of organisational life).

A significant area of controversy in relation to Burrell and Morgan's (1979) model relates to the issue of commensurability or incommensurability of the four paradigms (Bryman and Bell, 2011). Burrell and Morgan, adopting the view that paradigms are incommensurable because of their different assumptions and methods, argue that synthesis cannot be achieved. This notion of incommensurability is derived from the belief that paradigms are founded upon fundamentally opposing beliefs (Bryman and Bell, 2011). Reed (1985), on the other hand, argues that the boundaries between the four paradigms are not as clear and that focusing on the differences between them "reduces the potential for creative theoretical development" (ibid: 205). Hassard (1991), using multiple paradigms in his analysis of work behaviour in the British Fire Service, challenges the notion of paradigm incommensurability and suggests that multiple paradigm research can be used for the development of greater variety in business research.

Though research paradigms can be seen as contradictory, literature has shown that there are emerging confluences of research paradigms (Guba and Lincoln, 2005; Bryman, 2006). Rossman and Wilson (1985) note that through the quantitative-qualitative paradigm wars, three schools of thought have emerged: purist, situationalist and pragmatist. Their difference relates to the belief as to whether quantitative and qualitative approaches can be combined. Purists believe that paradigms are incompatible and contend that qualitative and quantitative methods should not be combined (Smith and Heshusius, 1986). Situationalists, although maintaining a mono-method stance, believe in the value of both methods. On the contrary, pragmatists believe that the dichotomy between quantitative and qualitative approaches is a false one (Newman and Benz, 1998) and advocate the integration of methods within a single study (Creswell, 1995). Pragmatism will be discussed in more detail next.

## **Pragmatism**

Pragmatism suggests that mixed methods, both quantitative and qualitative, can be used in the same research project if the research question permits it, and that the most important determinant of the research philosophy adopted is the research question (Saunders et al., 2007). Sieber (1973) argues that

because each method [qualitative and quantitative] has strengths and weaknesses, researchers should utilise the strengths and minimise the weaknesses of both methods in their efforts to better understand social phenomena. From a pragmatic viewpoint the priority lies with the use of “any approach that allows research questions to be answered regardless of its supposed philosophical presuppositions. Within this more accommodating climate, the research question and the appropriateness of particular research methods or approaches to the research question become the hub for the possible integration of quantitative and qualitative research” (Bryman, 2006: 124). Indeed, pragmatism “ascribes to the philosophy that the research question should drive the method(s) used” (Onwuegbuzie and Leech, 2005: 377). Tashakkori and Teddlie (1998) note that there are points where the researcher and research participants must be interactive (i.e. interviews) while at others, the researcher might stand apart from what (s)he is studying. In other words, one research or philosophical approach or a combination of approaches might be more appropriate than the other for answering particular questions. According to Bryman (2006: 118), within pragmatism, the adequacy of particular methods for answering questions “are the crucial arbiter of which methodological approach should be adopted rather than a commitment to a paradigm and the philosophical doctrine on which it is supposedly based”. Similarly, Biesta (2010: 96) suggest that “rather than starting from particular philosophical assumptions or convictions, the choice of a mixed approach is seen as one that should be driven by the very questions that research seeks to answer”. Likewise, Teddlie and Tashakkori (2010) argue that the centrality of the research question was intended to move the focus beyond philosophical issues associated with the research paradigms debate, and towards a selection of methods that best suited the phenomena under investigation. Johnson and Onwuegbuzie (2004: 17) define mixed-methods research “as the class of research where the researcher mixes or combines quantitative and qualitative research techniques, methods, approaches, concepts or language into a single study”. They contend that philosophically, mixed-methods make use of the pragmatic system of philosophy.

When trying to answer the question: *How does the relationship between the JCC delegates affect its operation and what is the role of trust and justice in shaping these relationships?* a more complete answer would only be possible with the use of both qualitative and quantitative methods - a mixed-methods approach. I agree with Dewey’s pragmatism (described in Biesta, 2010) that there is no one single knowledge, but that different knowledge is the result of different ways in which we engage with the world; different research methods used to draw conclusions; different approaches to generate different outcomes. I also agree with the pragmatic view that it is the research question that should define the methods used. It is expected that for this research project a qualitative approach will provide rich and in-depth insights into the relationships within the particular JCC’s examined, while a quantitative approach will allow for the examination of quantifiable and possibly generalizable causal relationships. Consequently, I have taken the pragmatic decision to use mixed methods because these will generate

knowledge that either method, alone, is not going to give and thus provide a more complete answer to my research question.

## **RATIONALE FOR ADOPTING A CASE STUDY STRATEGY**

Case studies, as a research strategy, “focus on understanding the dynamics present within single settings” (Eisenhardt, 1989: 534) and are preferred as a method “when ‘how’ or ‘why’ questions are being posed, when the investigator has little control over events, and when the focus is on a contemporary phenomenon within its real-life context” (Yin, 2003a: 1) and in which multiple sources of evidence are used (Yin, 2003a). They also have the added advantage of providing the opportunity to return to the organisation at a later time to find out whether the findings of previous research were substantiated or not and improve the analysis (Bryman and Bell, 2003), permitting a longitudinal study. Hartley (2004) describes case study research as a detailed investigation, often with data collected over a period of time, of phenomena within their context with the aim to provide an analysis of the context and processes which illuminate the theoretical issues being studied, and explains that case studies are used when the phenomenon under examination “is not isolated from its context but is of interest precisely because the aim is to understand how behaviour and processes are influenced by, and influence context” (Hartley, 2004: 323). Particularly, Yin (2003b) stressed that case study research is used to study a phenomenon that is not distinguishable from its context and it allows the researcher to maintain the holistic and meaningful characteristics of real-life events (such as interactions between participants in JCC meetings). Bryman and Bell (2011) note that case studies are distinguished from other research designs because of their focus on a situation or a system and the emphasis on an intensive examination of a setting (such as a JCC).

The case study approach was deemed as particularly suitable to answer this project’s research question, in that it allows an understanding of employees’ and managers’ experiences and relationships to emerge within the JCC context. To understand the roles of trust and justice perceptions in a JCC context and how they affect the JCC’s effectiveness, one must study and analyse the particular conditions and relationships relating to that context and within that context, and a case study strategy provides the necessary tools for doing so. Additionally, case study research is considered to be the most appropriate and is used in the majority of publications concerning research in a JCC environment (see chapter 2).

Yin (2003b) identifies five types of case:

- The critical case. The researcher here is testing a theory in an effort to confirm, challenge or extend it (i.e. testing the Dietz and Fortin (2007) six-stages model). The researcher also has specific hypotheses. The choice of case is on the grounds that it will permit the better understanding and exploration of the circumstances in which the hypothesis will hold or not.
- The unique case commonly focusing on clinical studies.
- The revelatory case. This is a case study with a predominantly inductive approach where there is the opportunity to observe and analyse a phenomenon not previously studied.
- The representative case. The researcher here explores a case that exemplifies an everyday situation.
- The longitudinal case. Here the focus is on changes that occur in a situation over time.

Bryman and Bell (2011) note that, in any particular study a combination of these elements can be involved. In the case of exploring the role of trust and justice perceptions within a JCC context, the case study research will involve elements of a critical and longitudinal case.

### **Selecting case studies**

In order to examine the Dietz and Fortin (2007) model and the role of trust and justice within a JCC context, what was needed were case studies of JCCs that were recently created or revamped. For this reason the sample was not entirely random, which according to Eisenhardt (1989) focuses the effort on cases that can replicate the theory. As a large section of this project's examination has to do with JCCs based on a time-stages model (history, JCC preparations, first meeting, subsequent meetings) and especially description and interpretation of events that happened in the past, it was important to find JCCs that had been recently (last two years) created or revamped. This way, substantial memory errors could be prevented. The case study organizations were chosen mainly because of the opportunity they presented in terms of their recent revamp and initiation and the willingness of the companies to provide full access to the forum. The companies have requested anonymity and information concerning the nature of the business will be kept vague.

## **Gaining access**

Given the research question, gaining full access to the JCC's and both management and employee representatives was crucial.

The first point of contact was the CIPD. After agreement, 1,000 letters inviting companies to participate in the research were sent out with the CIPD newsletter for the Northeast of UK. This approach was not as successful as expected and only two organisations responded to the invitation letter - a mining company and a supermarket chain. Initial contact with both organisations was made and access was granted. However, different organisational problems in both companies prevented them from initiating the creation of their JCC's, and so fieldwork was never started.

The IPA (Involvement and Participation Association) was then contacted because of its relationship to organisations that had JCCs. Through its provision of training to JCC representatives, it had a significant network of JCCs and it was thought that this network could provide a pool from which JCCs with the appropriate characteristics (newly created or revamped JCCs) could be chosen. After consultation with the IPA, I was put in contact with five organisations that met the project's requirements. Initial negotiations started with all five organisations. Shortly after initial contact, one of those organisations withdrew its participation on the grounds that having a researcher observing their JCC and interviewing participants would add an extra stress factor for the participants, at a time when all their efforts should be focused on the successful initiation of their JCC. Although, fieldwork started for two of the four remaining organisations, severe delays (five months) in the other two organisations in terms of design implementation, representatives' elections and initial meeting, led to the decision not to pursue fieldwork in these organisations, as it would result in excessive delay to the completion of this thesis, especially since fieldwork was designed to last a year in the case study companies. At that point, and because of time constraints, it was also decided to not pursue contact with any other companies and complete the research project with the two remaining organisations.

During negotiations, it was important to address certain issues. Firstly, even though results of the research would be presented to both JCCs after research was completed, the project would be a research project and not a consultancy project. Additionally, I argued that in order to produce rigorous results, I would need to interview all JCC representatives, employees and management, that I would need to observe all JCC meetings for the next year, that I should be included in all communication between representatives and have access to all formal JCC documents. The negotiation period was extremely important in terms of developing a strong relationship with the participants and clarifying expectations in terms of the conduct of the research project.

As a result of the negotiations, the management team of both companies requested that confidentiality and anonymity should be maintained for the thesis and any subsequent publications resulting from it. For Consult (UK) this was in the form of a confidentiality agreement drafted by their legal department and for the Housing Trust this was in the form of promises made by the researcher. For this reason the names of the companies and their committees are fictional. Once this request was satisfied, access was agreed and fieldwork started.

A number of data collection methods were used in each company, adopting a mixed-methods approach. The next section will focus on the data collection methods selected and the way they were designed and implemented.

## **DATA COLLECTION TECHNIQUES**

Multiple data collection methods provide triangulation of the evidence and strengthen the findings (Eisenhardt, 1989). It is also important to develop strategies with the purpose of enhancing validity and reliability, in order to address any potential research criticisms (Silverman, 1993). To achieve data triangulation (Creswell and Miller, 2000) the following data collection techniques were used:

1. Two rounds of semi-structured interviews were conducted with all JCC representatives, at the beginning and end of fieldwork.
2. The researcher silently observed all JCC meetings during the course of the fieldwork.
3. Formal JCC documents were gathered for analysis.
4. All representatives at the end of each JCC meeting completed a short questionnaire during the course of the fieldwork.

### **Interviews**

Kvale defines the qualitative research interview as “an interview, whose purpose is to gather descriptions of the life-world of the interviewee with respect to interpretation of the meaning of the described phenomena” (Kvale, 1983: 174). Therefore, King (2004) suggests that the goal of any qualitative research interview is to “see the research topic from the perspective of the interviewee, and to understand how and why they come to have this particular perspective” (King, 2004: 11).

Interviews can be structured, semi-structured and unstructured. A semi-structured approach was adopted for this research for two reasons. Fontana and Frey (1998) suggest that structured interviews

allow only small deviations, and offer limited scope for probing and developing a two-way interaction between the interviewee and the researcher, and do not allow flexibility. As the aim of this research was to engender a rich contextual understanding of the relationship dynamics within the observed JCCs, a structured interview was an unsuitable approach. Unstructured interviews were not adopted because it was felt that when interviewing participants and exploring relationship dynamics at different stages of the JCC process and from different organisations, a sense of structure and consistency in the interview design was necessary, and this is not offered by unstructured interviews. With semi-structured interviews I was able to probe and to allow the discussion to deviate away from the questions where relevant issues emerged without losing track of the different interview stages.

“The term reflexivity refers to the recognition that the involvement of the researcher as an active participant in the research project shapes the nature of the process and the knowledge produced through it” (King, 2004: 20). To lessen the effect of reflexivity and remain as objective as possible, Oishi’s (2003) general checklist for question wording was followed:

- “Use language that is comprehensible to the target population.
- Keep the wording neutral.
- Ask about one concept or issue per question.
- Include enough information so that respondents can give meaningful answers (that is, so that most respondents don’t say, ‘I don’t know’).
- Provide response options that are exhaustive and mutually exclusive” (Oishi, 2003: 25).

Information was collected about the creation of the JCCs, their day-to-day activities, routines, decisions, and impressions of their outcomes. The interviews with members of the forum focused on participants’ reflections on the efficacy and fairness of the forum, and the levels of trust forged among its members. The aim of the questions was to gather information about participants’ perception of the JCC during the five stages of the Dietz and Fortin (2007) model, explore in detail how the relationship between the JCC delegates affect its operation and effectiveness and identify the role of trust and justice in shaping this relationship. Thus, the purpose of the interviews was to explore the relationship history and expectations at the beginning of the process, the relationships, expectations and perceptions during the preparations and discussion for the creation of the forums and after the committees’ first meetings, and the representatives’ general perceptions during the subsequent meetings and their expectations about the future of the forums.

With this in mind, an interview template (table 6.1 and 6.2 below) was designed. The questions were designed to explore the themes described above in a way that would allow as open responses as possible. Although the focus of this research is trust and justice, I wanted to allow for other themes to

emerge, if any existed. This was done with questions that did not have any specific inference to trust and justice. For example: 'How satisfied are you with the way the forum works so far in terms of processes?'

**Table 6.1:** First round interview template.

<b>First round questions.</b>	<b>Purpose of the question.</b>
<b><i>Theme one – (Figure 2.1: T1) Pre-voice history: Explore relationship history and expectations at the beginning of the process.</i></b>	
Please tell me a little about yourself, your job and your career.	Information about current job and career history.
Please tell me about what is like to work here	Interviewee's beliefs about the organisation.
What was it like to be in this organisation prior to this joint consultation arrangement?	Explore the working climate prior to the JCC – T1.
How would you characterise the employee relations in this organisation prior to the creation of this committee?	Explore the industrial relations climate prior to the JCC – T1.
What was the mood in the organisation at that time?	
How did you first hear about the JCC?	Obtain information about communications concerning the JCC. Relates to IFJ. T1
What led to the decision to create this committee?	Reasons for creation and whether it was triggered by management or the employees. Relates to trust. T1
From your point of view, why do you think this decision was reached? (to create a JCC)	Explore the rationale behind this decision. Intentions, objectives (could relate to trust and justice) – T1.
What do you think influenced that decision?	
<b><i>Theme two – (Figure 2.1: T2) JCC design: Explore relationships and perceptions during the design phase of the JCC.</i></b>	
Describe the moods and behaviours during the discussions for the design.	Explore the relationship climate during the discussions. Categorise behaviours in terms of issues of trustworthiness and fairness or any other occurring themes – T2.
Was the time provided to prepare for the discussions sufficient?	Explore levels of informational justice – T2.
In your opinion, were you provided with adequate information on what the discussion would involve?	



<b>First round questions.</b>	<b>Purpose of the question.</b>
Please describe any rules or restrictions introduced during the discussions about the JCC.	To explore the nature of the principles that informed the discussions. Relates to PJ – T2.
Were there any major problems/points identified? Were these resolved? How?	As above. Also to explore how participants resolved the arising issues (relates to trust) – T2.
What do you think about the rules/safeguards put in place for this committee?	Explore levels of trustworthiness and procedural justice or any other occurring themes within the design – T2.
Were you involved in the design of the agenda/types of issues that this committee will be involved with?	
<b><i>Theme three – (Figure 2.1: T3) JCC preparations: Explore relationships and perceptions during the preparations for the JCC.</i></b>	
Were you provided with sufficient training before taking up the role of representative?	Information about the nature of training – T3. Can potentially be linked to trustworthiness.
Were there any ‘getting-to-know-you’ sessions prior to the actual meetings?	Explore relationship development during preparations – T3. Can potentially be linked to trustworthiness.
<b><i>Theme four – (Figure 2.1: T4) First meeting: Explore relationships and perceptions during the committee’s first meeting.</i></b>	
What were your expectations about this forum before you attended your first meeting? Were those met?	Explore representatives’ initial expectations – T4. Relates to trust.
Describe the moods and behaviours at the first meeting.	Explore the exchange relationship between representatives – T4.
What do you think about the conduct of management/employee representatives in the first meeting of this committee?	
Please describe the relationship dynamics between management/employee representatives in that meeting.	
Please describe the processes within this committee. What do you think of them?	Explore how the committee is structured - T4.
What do you think about the outcomes of this meeting?	Explore perceptions of DJ – T4.
In your opinion, how were you treated by management reps/employee reps during this meeting?	Explore levels of benevolence, ability, integrity and IPJ – T4.

First round questions.	Purpose of the question.
<b><i>Theme five –(Figure 2.1: T5) – Subsequent meetings: General perceptions about the forum: Explore relationships, perceptions and expectations about the JCC.</i></b>	
Please tell me what you like and appreciate about this committee, and how it is working; and what you dislike about it.	To investigate the interviewee’s understanding and appreciation of the committee. Potential for the emergence of trust and justice and any other occurring theme. T5
What does this committee mean to you?	
What are your expectations about this forum for the future?	
Was there a time that you had doubts about the effectiveness of this forum?	Explore if there was a time that the relationship changed. T5
How confident are you that either side will not act in a damaging way to this committee?	To test whether there is mutual trust in the process. T5
How satisfied are you with the way the forum works so far, in terms of processes, interpersonal treatment and outcomes?	Explore perceptions of justice. T5
In your opinion, how will this forum influence the way work is done in your organisation?	Explore perceptions of the JCC’s effectiveness. T5
In your opinion, how will this forum influence employee relations in your organisation?	

The purpose of the second round was to explore in more detail the aforementioned themes and any links with trust and justice that may have emerged and examine in more depth how the relationship between the delegates has developed during the JCC’s subsequent meetings (Figure 2.1: T5). Response options were again kept as open and neutral as possible. In this round some questions from the first round were repeated to allow for comparisons and examination of changes in perceptions at the beginning and end of the research. However, in this round, more direct questions about trust and justice were used. In order to examine the nature of the relationship and its impact on JCC effectiveness, questions were focused on relationship dynamics, participants’ opinions about their counterparts, whether their expectations were met and their perceptions of the JCC effectiveness.

**Table 6.2:** Second round interview template.

Second round questions.	Purpose of the question.
<b><i>Theme one – Update: Explore relationships, perceptions and expectations about the JCC.</i></b>	
What is the climate in the organisation at this time?	Explore and identify changes in the employee relations climate.
Please update me on the recent developments within the committee.	To learn of any developments.
What issues in the company you think affect the JCC?	
What is it like to be in this organisation after the creation of this committee?	As above; and if the committee had anything to do with it.
<b><i>Theme two – Relationship dynamics: Explore the relationship dynamics within the JCC.</i></b>	
How would you describe what’s going on in the JCC right now in terms of relationship dynamics?	To explore the relationships within the committee in terms of trust and fairness or any other occurring themes.
What do you think about the conduct of the participants in this committee?	
In your opinion, how have you been treated by management reps/employee reps so far in this committee?	Explore perceptions of IPJ.
<b><i>Theme three – Opinion about committee participants: Explore the interviewee’s opinion about the participants of the committee, especially in terms of trustworthiness.</i></b>	
What is your opinion about the employee reps/management reps?	Explore interviewee’s perceptions about employee representatives. Potential link to trust.
In your opinion, what makes a good rep?	
What is your opinion about the Chair?	Explore interviewee’s perceptions about the Chair. Potential link to trust.
In your opinion, what makes a good chair?	
How confident are you that either side will not act in a damaging way to this committee?	To test whether there is mutual trust in the process.

Second round questions.	Purpose of the question.
<b><i>Theme four – Design: Explore the committee’s design and process in more detail.</i></b>	
Can you please update me on the design of the forum?	Explore possible changes in the design and reasons behind the changes.
Looking back, do you think the design of this committee and the preparations made were effective?	To explore retrospectively perceptions about the design and whether expectations were met. Relates to PJ.
Would you characterise the processes of the forum fair? Why?	Explore PJ perceptions.
<b><i>Theme four – General perceptions: Explore relationships, perceptions and expectations about the JCC and its effectiveness.</i></b>	
What do you think is the purpose of this committee?	Explore interviewee’s perceptions of the effectiveness of the committee.
Do you think it is fulfilling that role?	
In your opinion, what would an effective committee look like?	
In your opinion, is this an effective committee?	
What has it achieved?	
Why is it important to you to have an effective forum?	
What does proper consultation mean to you? – do you think you have that in the JCC?	Explore perceptions of consultation. Potential link to trust and justice.
What do you think about the outcomes of this committee so far?	Explore perceptions of DJ.
What would you consider a satisfying/successful outcome?	
Please tell me what you like and appreciate about this committee, and how it is working.	To investigate the interviewee’s understanding and appreciation of the committee.
Please tell me what you think could be improved about this committee, and how it is working.	To explore arising issues/problems within the committee.

Second round questions.	Purpose of the question.
In your opinion, how will this forum influence the way work is done in your organisation?	Explore perceptions of the JCC's effectiveness.
In your opinion, how will this forum influence employee relations in your organisation?	
Have your expectations about this committee been met?	To explore interviewee's perceptions on the effectiveness of the committee. Relates to trust.
How important do you think trust/fairness is for the (effectiveness of) forum?	Explore links between trust/fairness and the JCC's effectiveness.
What are the levels of trust/fairness in NICF right now?	Explore levels of trust and justice.

I conducted 48 interviews in total - 30 with NICF participants and 18 with ECC participants. The interviews were mostly conducted face to face (=45), telephone interviews (=3) were conducted with participants who were located in cities away from the company's headquarters. Interviews lasted between 40 minutes and two and a half hours and all were tape-recorded and transcribed.

*Interview conduct*

It is important, for the success of the interview to gain rapport with the interviewee, make them feel comfortable and gain their trust (Fontana and Frey, 1998). I initially met with all the interviewees prior to the interviews while still negotiating access. Flexibility is also very important when trying to make the interviewee more comfortable, especially when they are busy professionals with full schedules. Being able to arrange the interviews at a time and place that was convenient for the interviewee was essential and I discovered it helped considerably with the conduct of the interview. In addition, holding the interviews in a place familiar to them made interviewees more comfortable and friendly.

The first few minutes of the interview were spent introducing the purpose of the research in general terms. I purposefully did not mention trust and justice, to keep respondents as unbiased as possible. I explained that I would like to hear their opinions and views about JCC issues and that there are no right or wrong answers. Permission to record the interviews was always asked before the start of the interview, and was granted in every case, and issues of confidentiality and anonymity were addressed.

### *Researcher sensitivity*

Interviewing is a flexible way of gathering qualitative data that are detailed and sometimes highly personal (McLeod, 1994). The researcher's degree of sensitivity and respect towards the research participants affects the depth and the quality of the material shared and overall interview (Grafanaki, 1996). This sensitivity can be demonstrated in the content of and the way the questions are asked, as well as in the way the researcher reacts and responds to the participants' answers. Cowles (1988: 171) has suggested "participants may be less than open in providing personal information, especially if it is perceived as highly sensitive, without having a sense of trust and knowledge that their vulnerability is of concern to the researcher, and a feeling that they are respected as individuals." Thus, a non-judgemental and sensitive approach is needed in eliciting information (Grafanaki, 1996). This approach was followed throughout the research.

Additionally, although it became clear during the course of the interviews that participants were prepared to talk freely and openly about their experiences, sometimes, the content of the discussion included highly confidential information that could be detrimental to the individual if they became known. The handling of this kind of information required sensitivity. Smith (1992) suggests that researchers need to be aware that, although a person may have agreed to take part in a study, it cannot be known for certain what the interview will uncover. It is important for the researcher to always be aware that having a private view of another person's life is a privilege (Grafanaki, 1996) and always respect confidentiality and anonymity when those are requested. This was done throughout the research, from data collection to data analysis and presentation.

### **Observations**

"Observations work the researcher toward greater understanding of the case" (Stake, 1995:60) and have the added advantage of covering real-time events and the context of these events (Yin, 2003a). Additionally, with observation the researcher can assess "the consistency of people's statements, moods and behaviour at different times and in contrasting situations, eliminating the possibility of being fooled by initial appearances", and also be in a position to witness "sudden or progressive changes in people's definitions and emotions" (Waddington, 2004: 162).

Burgess identifies four types of observation (Burgess, 1984):

1. The 'complete participant', who operates covertly, concealing any intention to observe the setting;
2. The 'participant-as-observer', who forms relationships and participates in activities but makes no secret of an intention to observe events;
3. The 'observer-as-participant', who maintains only superficial contacts with the people being studied; and
4. The 'complete observer', who merely stands back and 'eavesdrops' on the proceedings.

I was the 'complete observer', in the sense that although I was sitting in meetings, I did not participate in any discussions during the meetings. This was deemed the best approach for two reasons. Firstly, participating in the meetings would only disrupt the process. Secondly, I was there to observe direct exchange relationships between the JCC participants; that could best be done the less interaction I had with them during the meeting, so that they could almost forget I was there.

Fielding (2001: 149) suggests that when researchers enter the field, they should maintain a positive and non-threatening self-image, that of the 'acceptable incompetent'. Taylor and Bogdan (1984) recommend fieldworkers emphasize the features they have in common with their participants, show interest in their views and avoid being arrogant. They think it is very important to let participants follow their usual schedule and context of interaction and not interfere with their routines. This is something I followed consistently throughout my fieldwork.

I observed a total of 11 meetings in both companies (five in Consult (UK) and six in the Housing Trust). NICF meetings in Consult (UK) were full day events while at the Housing Trust they lasted one to two hours. The data I collected were mostly derived from note-taking while observing the meetings. Participants from both JCCs were asked permission to audio record the meetings. The Chair of NICF refused saying that he would not be able to speak freely if he knew the meetings were recorded and so those meetings were not recorded. The ECC participants on the other hand agreed to being recorded during meetings. These meetings were transcribed and linked to my notes for cross-checking. My notes most typically were scribbled down words or phrases and less commonly, verbatim quotes, which I expanded later in the day and after the meeting was over.

There is some criticism about observation, most commonly that "people are likely to react to the researcher being present by engaging in untypical or extreme forms of behaviour" (Waddington, 2004: 161). My experience, which is confirmed by Waddington's (2004) own experience, is that if there was any untypical behaviour at the beginning of the observation, this tended to progressively disappear the

longer I remained in the companies. For example, after the first two meetings I observed in both JCCs, participants came up to me and said they could see me write notes through the duration of the meeting. For the first two meetings they were conscious of my presence and focused on my behaviour as much as I focused on theirs. This would not happen in a typical meeting. After the first two meetings I was fully integrated and the 'untypical behaviour' stopped. Additionally, while at the beginning participants looked at me several times while talking, this faded out by the end of the second meeting I observed.

With the observations I found it possible to gain a better understanding of the process in each committee and more importantly, witness first-hand the relationship dynamics within these committees. Despite the criticism that comes with observation, it gave me an in-depth insight into the emotions, behaviours and procedures of the committees that was extremely valuable to my understanding and later my analysis.

## **Surveys**

Questionnaires were also used to collect quantitative data on people's attitudes and beliefs toward the JCCs. Because the design and creation of a JCC is highly dependent upon different stages, a longitudinal approach was required to track its progress over time. Longitudinal surveys have been identified as established means of collecting data, with a proven track record, with their main strength being the ability to collect a large amount of real-time information from groups, when there is need to track events through time from the participant's perspective and particularly when it is important to capture perceptions and reflections regularly. Additionally, the higher frequency of data collection that was possible with the surveys could reduce the likelihood of forgotten events or experiences and thus a recall error (Balogun et al., 2003; Balogun and Johnson, 2004; Burgess, 1984; Conway and Briner, 2002; Yin, 1994).

The survey was used descriptively, to monitor progress of the chosen measures after each meeting and in that way provided another way of triangulating the qualitative data, and also analytically, with the aim of testing cause and effect relationships between the chosen variables.

It was essential to keep the questionnaire short, but include all essential variables, to avoid rushed responses due to tiredness. It was understandable that participants would not be pleased with a long questionnaire after a long and sometimes intense meeting. The survey contained 52 questions and four open-ended questions. To be able to keep track of respondents' questionnaires after each meeting and link their answers for analysis, an anonymous coding system was introduced at the end of the



questionnaires; respondents had to write their first initial of their first name and their date of birth (e.g. M120581). All of the variables in this study were assessed on a 5-point Likert-type scale.

The independent variables were trust and justice, with committee usefulness, committee performance, outcome satisfaction and partnership as dependent variables. Three more variables were introduced as potential moderators to the relationship; positive and negative affect, and industrial relations climate. A detailed rationale and hypothesis were given in Chapters 3, 4, and 5, while findings will be given in Chapter 9 of this thesis.

A more detailed description of the survey's measures will now be given.

### ***Sample***

Participants (management and employee representatives) from both committees (NICF and ECC) were used as sample for the survey. The self-completion questionnaire was distributed to participants at the end of each meeting. The questionnaires were returned directly to me, and 161 responses were received (100% response rate). In total, 123 responses came from employee representatives. The responses were gathered over a period of five meetings for NICF and six meetings for the ECC. For the NICF, and for the first four meetings (August '09; November '09; April '10 and September '10) 13 responses were gathered from each meeting. In the last meeting (March '11) 11 responses were gathered. For the ECC, in the first meeting (27<sup>th</sup> July '09) nine responses were gathered; in the second (1<sup>st</sup> December '09) seven; in the third (3<sup>rd</sup> February '10) 10; in the fourth (24<sup>th</sup> February '10) eight; in the fifth (26<sup>th</sup> April '10) seven; and in the sixth (15<sup>th</sup> September '10) six. The sample's mean age was 40.99 years, with an average of 2.72 years as representatives (employees and management), with 45% being women.

### ***Measures***

#### *Justice perceptions*

The respondents were asked to assess the fairness of the committee's outcomes, procedures, interpersonal encounters and information sharing (i.e., distributive, procedural, interpersonal and informational justice) as well as the committee's overall fairness using an adaptation (10-items; revised by changing the referent from organisation to committee, and supervisor to colleagues) of Kim and

Leung (2007)'s measures (Table 6.3). Because that measure did not include specific informational justice items, two new questions were included in the scale. These are the last two items (in italics) in table 6.3. The questions followed Kim and Leung's style of wording, replacing items that refer to distributive fairness for example with items that refer to informational fairness (i.e. DJ / the outcomes we achieved in today's meeting are fair – IFJ / The information sharing in this committee is fair).

**Table 6.3:** Justice scale

<i>Items</i>	<i>Justice Dimensions</i>
In general, I am fairly treated in this committee.	OJ
All in all, this committee treats me fairly.	OJ
The outcomes we achieved in today's meeting are fair.	DJ
I believe that we got a fair deal through today's meeting.	DJ
This committee makes decisions in fair ways.	PJ
The rules and procedures to make decisions in this committee are fair.	PJ
My colleagues on this committee treat me fairly.	IPJ
One to one, my colleagues on this committee give me fair treatment.	IPJ
<i>The information sharing in this committee is fair.</i>	<i>IFJ</i>
<i>The communication through this committee results in fair information.</i>	<i>IFJ</i>

Scale reliability:  $\alpha = .91$

### *Trust*

To measure trust, Gillespie's (2003) ten-item behavioural trust inventory was employed (BTI). The development and validity of the measure was derived from qualitative (interviews) and quantitative data (cross-sectional, longitudinal and matched-dyad) and it offers a valid and reliable measure that is applicable to leader-member but also peer relationships (see Gillespie, 2003). In this case it is used to measure participants' co-committee counterparts.

This scale (Table 6.4) was chosen because it taps on the decision to trust the other party, instead of just evaluating the other party's trustworthiness, as the questions focus on the willingness to trust. In other words, it measures the decision or not to trust the other party after having assessed their trustworthiness (see definitions of trust in chapter 4) and carries more weight than just the belief that they are trustworthy (Dietz and Den Hartog, 2006). A belief by itself will not necessarily lead to a decision or, indeed an action of trust. From a measurement perspective, a willingness to be vulnerable is closer to trust behaviour than perceptions of trustworthiness, and therefore, it better predicts actual trust behaviour (Gillespie, 2003). For the above reasons, and as the aim of this thesis is to explore the relationship of trust with JCC performance, it was deemed more appropriate to use a trust measure instead of a trustworthiness measure.

**Table 6.4:** Trust scale

---

*Items*

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Rely on your co-committee members' work-related judgments?  
Rely on your co-committee members' task-related skills and abilities?  
Depend on co-committee members to handle an important issue on your behalf?  
Rely on co-committee members to represent your interests accurately to others?  
Depend on your co-committee members to back you up in difficult situations?  
Share your personal feelings with your co-committee members?  
Confide in your co-committee members about issues that are affecting your work?  
Discuss honestly how you feel about your work, even negative feelings and frustration?  
Discuss work-related problems or difficulties that could potentially be used to disadvantage you?  
Share your personal beliefs with your co-committee members?

---

*Scale reliability:  $\alpha = .87$*

### *Industrial relations climate*

Industrial relations climate was assessed using Deery and Erwin(1999)'s selection of Dastmalchian's (1986) 'harmony' dimension of IR climate. This decision was made mainly because Dastmalchian's original scale was too long. Since the focus of this thesis is on the moderating effect of IR climate on trust, justice and JCC outcomes, Deery and Erwin's selection of the 'harmony' dimension, along with its reported alpha (.89), which provides added reliability, was deemed appropriate.

**Table 6.5:** Industrial relations climate scale

---

*Items*

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Employees and management work together to make this a better place in which to work.  
Employees and management have respect for each other's goals.  
The parties in this organisation (employees and management) keep their word.  
In this organisation, joint management-staff committees achieve definite results.  
There is a great deal of concern for the other party's point of view in the staff-management relationship.  
In this organisation, joint consultation takes place in an atmosphere of good faith.  
Employees have a positive view on the organisation's joint management-staff committees.  
A sense of fairness is associated with management-staff dealings in this organisation.

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*Scale reliability:  $\alpha = .90$*

### *Participants' mood*

A selection of positive and negative affect terms taken from Russell (1980) were used to measure participants' mood. Since Russell's full 28-word list was too long, nine were selected that were seen as most likely to be experienced in a JCC environment and covered most affect dimensions (arousal excitement, pleasure, content, sleepiness, depression, misery, distress). For parsimony, the use of words that expressed similar affect were avoided (i.e. happy, excited, miserable, gloomy). "Delighted", "Pleased", "Satisfied", and "Content" were used to express positive emotion (*Scale reliability:  $\alpha = .87$* )

and “Angry”, “Frustrated”, “Annoyed”, “Depressed”, and “Sad” were used for negative emotion (*Scale reliability:  $\alpha = .83$* ).

#### *Committee performance*

As there is no past research that has employed quantitative data to measure JCC performance, a four-item scale was developed to measure the committees’ performance. Given the difficulty of acquiring specific productivity numbers (JCCs do not produce quantifiable outcomes in terms of units) the items were developed with the aim of accounting for most aspects of performance perceptions. Thus, respondents were asked to rate the performance of the committee in terms of the following: “Productivity”, “Quality”, “Effectiveness”, and “Overall interpersonal relations among the committee members” (*Scale reliability:  $\alpha = .85$* ).

#### *Committee usefulness*

A two-item measure was developed for this study to assess the committees’ usefulness. The items were “How useful was today’s meeting to the workforce?” and “How useful was today’s meeting to the company?” and were chosen to capture perceptions of usefulness from an employee and the organisation’s perspective (*Scale reliability:  $\alpha = .76$* ).

#### *Outcome satisfaction*

The outcome satisfaction scale was designed in a way that gave participants the opportunity to assess three outcomes of the committee and also name them (Table 6.6). It was also intended to capture salient outcomes from each meeting, in an effort to identify outcomes that are perceived as more important by JCC participants.

**Table 6.6:** Outcome satisfaction scale

---

*Items*

---

**Outcome 1)**.....  
How satisfied are you with this outcome?  
How fair is the outcome?

**Outcome 2)** .....  
How satisfied are you with this outcome?  
How fair is the outcome?

**Outcome 3)** .....  
How satisfied are you with this outcome?  
How fair is the outcome?

---

*Scale reliability:  $\alpha = .87$*

*Partnership perceptions*

Partnership is a complex term that holds no widely accepted standard definition. However it is commonly understood as an initiative that manages workplace employment relationships, employing joint problem solving techniques among the ‘partners’ with the purpose of delivering mutually beneficial outcomes. Traditionally, partnership has been examined with the use of qualitative methods (interviews, observations) and thus, a two-item scale was developed for the purposes of this thesis. Taking into account the above, the choice of items was made with the purpose of capturing an overall evaluation of the JCC as a partnership developing mechanism. The items were “Overall, how do you feel ‘partnership working’ is progressing within the organisation?” and “How far is this committee contributing to the development of good relations within the organisation?” (*Scale reliability:  $\alpha = .87$* ).

This is the first research project that I know of that explores trust and justice in a JCC environment, so although established scales were used to measure trust, justice and industrial relations climate, I felt that newly developed scales would be more appropriate to capture a JCC’s performance, usefulness, outcome satisfaction and sense of partnership. This is because I could not find any such scales (i.e. partnership) or because existing scales that measure variables, such as performance, do so only from an organisation’s perspective and are more related to management’s interpretations of these terms than employees. However, since in a JCC both management and employee representatives’ perception are taken into account, it was important for the scales to be developed in a way that captured both [management and employee representatives’] perspectives.

## **JCC documents**

In an extended effort to follow the triangulation principle, data collection also included the documentation relevant to both JCCs. Documents provided background details and further clarification and information, especially for meetings held before the start of fieldwork, including the first meeting (which is important for the tested model) of the JCCs. Documents used included the constitution in the case of the NICF and Terms of Reference (ToR) in the case of the ECC and minutes of meetings from after the revamp of NICF and creation of the ECC. They were used for the analysis of the individual cases (NICF and ECC) and were extremely useful when trying to understand the history of the creation of the JCCs and the initial meetings held prior to fieldwork. They were also used to cross-check the truthfulness of interview statements and my notes from the observations.

## **Ethical considerations**

Saunders et al. (2007: 178) state that “in the context of research, ethics refers to the appropriateness of your behaviour in relation to the rights of those who become the subject of your work, or are affected by it”. Ethical issues were considered from the beginning of the design process so that any potential issues were identified early on and research was conducted in accordance with the Durham University code of research ethics. Within this study, a deontological view has been taken (Saunders et al., 2007) whereby the end result of findings does not justify unethical behaviour.

There are four main areas of ethical principles that need to be considered in business research (Bryman and Bell, 2011: 128): a) whether there is harm to participants; b) whether there is lack of informed consent; c) whether there is invasion of privacy; and d) whether deception is involved. Consideration was given to all of the above.

Specifically, in terms of ‘harm to participants’, and following the AoM Code of Ethical Conduct, I carefully assessed the possibility of harm to research participants. As the research was conducted within the organisations’ premises, no additional possibility of physical harm due to this research was predicted. The issue of harm to participants was also assessed against confidentiality and anonymity. These were considered throughout the study; from data collection to presentation of findings and writing-up. Confidentiality and anonymity of the participating organisations and participating individuals were guaranteed, as was the voluntary nature of participation.

The issue of informed consent was also considered. While I was negotiating access to the companies, I presented the aim of the research (*explore the processes and relationship dynamics involved in setting up*

*a JCC and sustaining it over time and their effect on perceptions of JCC effectiveness*) and research methods that I was going to utilise, to the JCC participants and subsequently, verbal consent was granted. Since personal identifiers were removed from the data and detailed information was given beforehand, verbal consent was deemed appropriate (UK Data Archive, 2012). In addition, while arranging the interview appointments, verbal consent was again asked from individuals. This was done to make sure that individuals that did not feel comfortable expressing publicly (in the meeting, after the presentation of the aims of the research) their opposition or unwillingness to participate, could do so in private. All of the participants voluntarily agreed to take part in this research, and they did so publicly and privately as well.

There were no issues with invasion of privacy and deception as these were considered and covered by the informed consent. Since consent was given on the basis of a detailed understanding of the requirements of the study, the participant in a sense recognised that the right to privacy has been surrendered for that limited domain (Bryman and Bell, 2011). Privacy is further reassured however, with confidentiality, anonymity and the right of the participant to voluntarily take part in the research. Additionally, each case was treated sensitively and individually, always giving participants a genuine opportunity to withdraw at any time.

As far as deception is concerned, one might infer that a degree of concealment did occur during the first-round of interviews due to the fact that trust and justice were not presented as aspects of the study, when information about the research was given. This was done to preserve the naturalness of the data and keep participants unbiased for as long as possible. One objective of this thesis was to ascertain if and how important trust and justice are for the effectiveness of JCCs. In order to explore this, participants needed to be kept as unbiased as possible. If they knew beforehand that importance was placed specifically on the effects of trust and justice, there was a risk that their responses would only be focused on these two issues, concealing in a way any other aspects that might be equally important to them. Additionally, as soon as respondents completed the first survey, they became fully aware of this aspect of the research (the examination of trust and justice), due to the trust and justice scales in the survey.

## DATA ANALYSIS

The next sections describe the analysis process for both qualitative and quantitative data.

### Interviews, observations and document analysis

The process of analysis was the same for all types of qualitative data gathered (interviews, observations, open-ended questions of survey, documents). Nvivo 8 was used as a tool to code the qualitative data. Richards (2009: 94) explains that

*“Qualitative coding is about data retention. The goal is to learn from the data, to keep revisiting data extracts until you see and understand patterns and explanations”* (italics in original text).

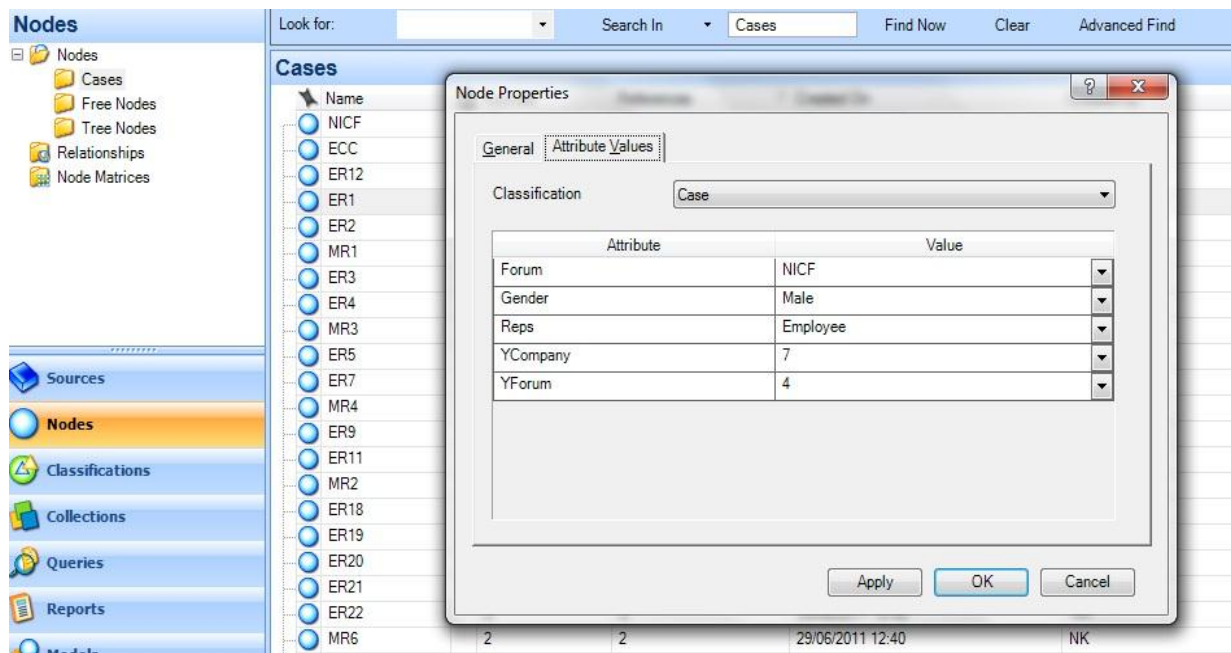
Saldana (2009: 3) defines a code as “most often a word or short phrase that symbolically assigns a summative, salient, essence capturing, and/or evocative attribute for a portion of language-based data”. Qualitative coding included three different processes: ‘descriptive’, ‘topic’, and ‘analytical’ coding (Richards, 2009).

#### *Descriptive coding*

Descriptive coding resembles quantitative coding in that it involves gathering information that describes the case (Richards, 2009). For this research project such coding was done to store information about the forum, the representatives’ tenure, their forum tenure, gender and whether they were employee or management representatives (an example is provided in Figure 6.1).



**Figure 6.1:** Descriptive coding in Nvivo



### Topic coding

Topic coding refers to coding that allocates passages to topics, using labels according to its subject (Richards, 2009). In this case, for example, *everything* that referred to the Chair of the committee was labelled under 'Chair', or when interviewees were talking about their experiences during the committee's first meeting, these were coded under 'First meeting'. These categories were created during a first read-through of the data with the question in mind of 'what is this about?' Figure 6.2 shows a list of 'topic codes' or 'nodes' in Nvivo, sorted by number of references of the code in the text and how many sources (i.e. interviews) referred to this code. Nodes (+) and (-) were used to identify whether a comment was positive or negative (see also figure 6.4).

**Figure 6.2:** Topic coding in Nvivo

Name	Sources	References
(+)	44	593
(-)	47	589
Consultation	41	170
Expectations	42	137
First meeting	27	136
Chair	37	90
History	22	75
Work	31	53
Outcomes	26	51
Training	20	48
Interpersonal treatment	19	37
UKILT	18	35
Behaviour	18	33
Employee relations	15	33
IR Manager	20	31
Role of redundancy consultation	13	29
Fear	10	27
visibility	15	26
Reason for joining	20	26
Doubts	22	25
EMT	5	22
Reasons for redesign	10	16
Reason for creation	9	10

### *Analytical coding*

This type of coding “leads to theory emergence and theory affirmation” (Richards, 2009: 102). The term is used by Richards to refer to coding that comes from interpretation and reflection on meaning. Although the main purpose of this research was to explore the role of trust and justice within a JCC, I did not want to exclude any other themes that might have emerged from the data. For this reason, while following a deductive approach and creating codes for trust and justice (Table 6.7) based on existing literature, I also used an inductive approach to code the data. This was carried out by reading and reviewing the data collected and identifying themes and categories that were emerging, and not just looking for text that was referring to trust or justice. This process was done several times as I revisited the coded data to review them for consistency at different times.

For trust, the Mayer et al. (1995)'s three factors of trustworthiness and Whitener et al. (1998)'s five factors of managerial trustworthiness were used (for more details see Chapter 4). However, it was ultimately deemed unnecessary to use Whitener et al.'s 'Managerial Behavioural Consistency', 'Managerial Behavioural Integrity', 'Communication', and 'Demonstration of concern' in the table as the first three correspond to 'Integrity' and the last to 'Benevolence' from Mayer et al. (1995). An extra code for trust, 'Risk taking' was added to identify any such activities as this trusting action is an important outcome of the trust process with implications for the effectiveness of the JCC (see Chapter 4). For justice, Colquitt (2001) was used to provide the coding definitions for the four justice dimensions.

**Table 6.7:** Major coding categories and definitions.

<b>Code</b>	<b>Definition</b>
<b>Ability</b>	Recognition of skills and competencies within a specific domain.
<b>Benevolence</b>	Recognition of good unselfish motives; loyalty; caring; receptivity.
<b>Integrity</b>	Adherence to moral and ethical standards; consistency; openness; honesty; credible communications; strong sense of justice; reliability.
<b>Sharing and Delegation of Control</b>	Whether the other party feels involved.
<b>Risk taking</b>	Situations where individuals/forum assume risk
<b>Distributive Justice</b>	Perceived fairness of outcome distribution; Appropriate outcome for the work completed; Outcome reflects effort put into work; Outcome justified, given performance; Outcome reflects contribution
<b>Procedural Justice</b>	Perceived fairness of the process; Procedures been based on accurate information; Able to appeal the outcome arrived at by those procedures; Procedures free of bias; Procedures consistently applied; Procedures upheld ethical and moral standards; Express views and feelings during those procedures; Influence the outcome arrived at by those procedures;
<b>Interpersonal Justice</b>	Perceived fairness of interpersonal treatment; Dignity; Improper remarks or comments; Polite manner; Respect
<b>Informational Justice</b>	Perceived fairness of explanations and information regarding decision-making; Candid communications; Thorough explanations for the procedures; Reasonable explanations regarding procedures; Tailored communications to forum's needs; Communication of details in a timely manner

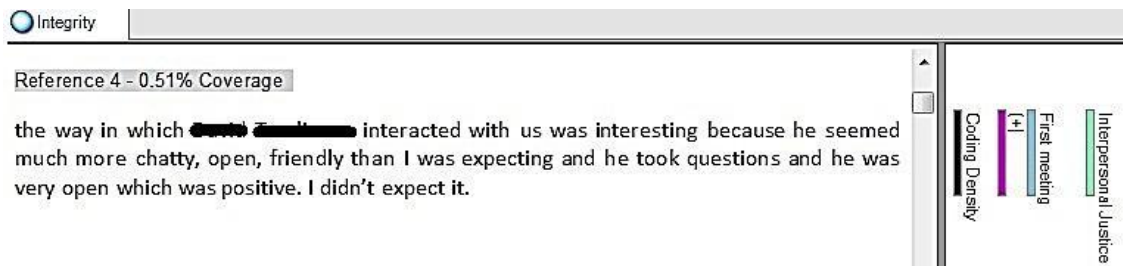
Figure 6.3 shows the ‘Tree Nodes’ or coding categories that were created after analytical coding. As can be seen, apart from the trust and justice categories that were created prior to analytical coding as a result of the deductive approach, two more categories emerged from the inductive approach: ‘Opinion about forum’ which had to do with the participants’ views about the forum (i.e. 15 sources referred to the forum as either a ‘tick-box’ or a ‘talking shop’), and ‘Role-purpose of forum’ in terms of its clarity of role and whether it fulfilled its perceived purpose.

**Figure 6.3:** Analytical coding in Nvivo

Name	Sources	References
Justice	48	689
Procedural Justice	46	442
Informational Justice	41	282
Distributive Justice	42	142
Interpersonal Justice	40	121
Trust	48	654
Benevolence	40	211
Integrity	45	209
Ability	30	92
Control	12	56
Take risk	24	50
Opinion about forum	47	282
Improvements	31	64
Positives about forum	26	42
tick-box_talking shop	15	35
Old forum	12	29
New forum	11	27
Negatives of the forum	14	19
Sounding board	11	18
Role-purpose of forum	30	123
Clarity	16	50
role fulfillment	18	20

Figure 6.4 presents an example of topic ('First meeting', '(+)') and analytical coding ('Interpersonal Justice').

**Figure 6.4:** Example of topic and analytical coding.



To ensure reliability and consistency I ran a 'coding over time consistency test' (Richards, 2009) by comparing two codings of the same document. This was done by taking a clean version of five interviews and coding it again. Then I compared the two and looked for differences and inconsistencies. Coding was almost identical, which gave me confidence that coding was done properly.

## Survey analysis

SPSS was used to analyse the survey data. Descriptive tests were used to accompany and triangulate analysis such as comparison of means for variables between meetings and participants (e.g. management and employee representatives). Other descriptive statistics, reliability estimates and correlations for all measures are reported in the next three chapters of this thesis (Chapter 7, Chapter 8, and Chapter 9).

Furthermore, to examine the relationship between our dependent (i.e., trust, DJ, PJ, IPJ and IFJ) and independent (usefulness, performance, outcome satisfaction and partnership) variables, multiple regression analysis was run. Industrial relations climate was also tested for moderation effects. A detailed account of the tests run and the results will be presented in Chapter 9 of this thesis.

## **SUMMARY**

Case study method, using a mixed-methods approach has been identified as particularly appropriate for this research project. To enhance the reliability and validity of the study, a rigorous approach that adhered to the principle of triangulation was put in place at each stage.

However, this research method has some limitations which further researchers have to recognise. The primary limitation was the unavoidable subjectivity of the researcher, though it is felt that the level of understanding that the qualitative tools gave the researcher would not have been possible with the use of only quantitative tools and so outweigh this limitation. To mitigate against this researcher bias, data triangulation was utilised. Additionally, an effort was always made to increase the validity of the study by adopting a mixed-methods approach.

One of the concerns with examining case studies is generalizability and how or if the findings can be applied at a more general context (Bryman and Bell, 2003). There is no certainty that the results will be replicable. Concerns of generalizability have to do with the role of trust and justice in JCCs and whether the findings that emerge from the case studies can be used in other organisations, in other committees. The utilisation of quantitative data made the use of statistical tests possible and so should satisfy the generalizability issue.

## 7. Consult (UK) – NICF

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### INTRODUCTION

This chapter focuses upon the Consult (UK) case study and its National Information and Consultation Forum (NICF) [for anonymity purposes I do not provide the real name of the company].

The case examines the period from the initial formation of the forum in 2005 up to March 2011 with a greater focus on the events that happened after the revamp of the forum in February 2009. Fieldwork was done from August 2009 until March 2011, and it included two rounds of interviews (in September 2009 and September 2010), observation of five meetings (August 2009, November 2009, April 2010, September 2010, and March 2011), distribution of a survey after each of the five observed meetings and official NICF documentation from initial formation till the end of the research in March 2011 (code of conduct, NICF constitutions, and minutes of meetings from February 2009 to March 2011).

This chapter will review the exchange relationships between the forum's representatives and the impact trust and justice perceptions have on representatives' (employees and management) perceptions of the effectiveness of the forum. The chapter is divided into two sections.

The first section, after a short company profile, presents a detailed narrative of the facts of the case, based on the Dietz and Fortin (2007) six stage model of the joint consultation process. Consequently, the narrative is structured according to those six stages: pre-voice history, which in this case also includes the initial decision to create the NICF in 2005 and the reasons behind its revamp in 2009, the design of the revamped forum, preparations that took place for the forum's first meeting, the first meeting, and subsequent meetings.

The second section of this chapter is an analysis based on this six-stage model. In particular, implications of trust and justice in each stage and their impact on the perceived effectiveness of the forum will be shown.

The primary emphasis of this chapter is the presentation of data and analysis of the NICF case only, and as such the theoretical implications are considered in the discussion chapter of this thesis.

## COMPANY PROFILE

Consult (UK) is a global management consultancy company with operations in 120 countries, including the UK. According to its mission statement, its business aim is to provide clients with services that help them become high-performance businesses and develop solutions for clients around the world that want to enter new markets, increase revenues in existing markets, improve operational performance and deliver their products and services more effectively and efficiently.

According to the company's website, since its inception, Consult (UK) has been governed by six core values that shape the culture and define the character of the company and guide how its employees behave and make decisions (these values will not be described further for anonymity purposes).

The National Leadership Team (NLT) runs the UK division of the company; its members are the UK Managing Director (UKMD) and all the heads of the company's different departments. The team meets regularly and they are responsible for decisions and implementation of decisions that have to do with the UK.

## THE FORUM

This section focuses on the background story of how the NICF was created, the reasons behind the decision to revamp it and its progress to date.

### Pre-voice history

Consult (UK) operates in a very competitive niche with a competitive market for talent and

*'it tries very hard to manage communications with employees very carefully, doesn't like to upset employees because it's a very competitive market for talent and you can leave this company and join another one if you want. So you don't do something, when you are a people business, you don't do something to upset your people'. (ER10)*

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The firm is run globally out of Global Headquarters, *'in a black box that nobody has any visibility into and nobody understands why the decisions that made come out and seem very remote and there's no way of interacting with that as well'* (ER10). It is unclear how much freedom the UK management of the company (NLT) actually has as ER10 reports again;



*'I don't know how much freedom the UK management of our company actually has to make decisions in isolation and how many of their decisions actually have to be ratified and approved globally in Global Headquarters. But my strong suspicion is that they don't have very much ability to do things that are different to the global norm.'*

---

According to several employee representatives (4) there was lack of information concerning how management were making decisions. When asked, the majority of interviewees (n=11) said they identified an initial reluctance from management to share information openly with employees across all levels and that they believed management liked information to be kept in a restricted fashion and decisions to be made at the point of decision-making. The impression was that there was nothing to affect any kind of change, and there was nobody speaking on the employees' behalf;

*'How things happened, well, pretty much we just felt that things were done on a whim, management decides, it's done.'* (ER5)

*'I just felt as though I was being dragged along in a machine that was doing pretty much what it wanted to do without any form of consultation.'* (ER11)

---

As ER1 point out, there was a 'them and us' situation with little interaction and involvement:

*'There was definitely a sense of a 'them and us' situation where it is you know, the employees are the workforce, the management team made decisions and perhaps there wasn't a great deal of interaction between the two and I think there was a bit of a sense that when messages came out from the management, it was probably quite heavily glossed over with the corporate brush.'* (ER1)

---

According to employee representatives, before NICF was created there was no employee involvement in decision-making.

### **Decision to create the NICF and initial design**

Consult (UK) created the NICF just as the EU's Information and Consultation Directive was to come into effect into UK law in 2005. In February 2005, a conference call between senior Employee Relations managers was scheduled to discuss the design of the forum so that it complied with the EU Directive for information and consultation (EUD) regulations. The official position of the company was 100% compliance with the EUD but it also used this as an opportunity to enhance the firm's existing communications and feedback mechanisms. As MR2 reports *'it was you know, on paper, a great*

*opportunity to find a way to connect to our employees and make sure they're properly represented'. Following the EUD guidelines, topics for 'information-only' were the business update and sales pipeline, and likely topics for 'information and consultation' were rewards, changes to workforce and career models, internal reorganisations and Health and Safety.*

Employee representation was based on statutory provisions with a maximum of 20 elected delegates appointed for initially three years. Company representatives were to include a NLT member acting as chair, the HR Director and an Employee Relations Manager. Formal meetings were to be held every six months (with 30 days' notice in writing of the date including a request for agenda items to be considered and the agreed agenda sent out seven days prior to the meeting) with extraordinary meetings or calls to be held as required (with 15 days' notice of the date and agenda material sent asap).

Terms of reference were prepared and agreed upon at the NICF's first meeting on July 2005. NICF was defined as

*'A forum of elected Employee Representatives from all UK workforces designed to strengthen the process of information and consultation between the Company and its employees at a national and strategic level, and improve the mutual understanding of the Company's business, its performance and the challenges and opportunities that face the business in the future and to promote communication, co-operation and employee participation at all levels of the workforce, in the interests of both the Company and its employees.'* (NICF Constitution, 2005)

Areas of focus for the NICF, in compliance with the EUD, included:

- *Understanding the company's career framework, particularly for those below manager level.*
- *Ensuring there is a link to the European Forum and minutes of NICF are shared with the European Forum representatives.*
- *Improving the performance management approach, and balancing the focus for performance management across all workforces.*
- *Looking at movement between workforces.*
- *Breaking down the 'them and us' between workforces.*
- *Understanding the rationale for different reward approaches between workforces.*
- *Reviewing the large recruitment target the company has in the UK and how it affects the dynamics and delivery capability of the organisation.*
- *Reviewing and following up on the reward survey and people survey results.*
- *Ensuring that the membership of the NICF is reviewed annually to achieve continued proportionate representation.* (NICF Constitution, 2005)

Additionally, the role of the Employee Representative was *'to tune in to the 'pulse' of their constituency, give constructive feedback, sign up to, and respect, confidentiality rules and participate in meetings and agree what outputs may be further communicated and why'* (Official NICF documents). When designing the NICF at the time, training provision for representatives was not considered.

### **A 'Tick-box exercise'?**

After three years of operation (in 2008) the NICF was not doing exactly what it set out to do and was seen as just a talking shop by the representatives. Four current employee representatives and one management representative were involved with the forum after its initial creation in 2005 and could describe how things were operating back then. All five of them had the same opinion about the forum. The representatives were not happy with how things were going, as they said, because there were a lot of changes and different people coming in and organising it so there was no continuity between meetings, no one seemed to know what happened in the previous meeting, the actions tended to get shoved to one side and *'just wasn't really very constructive'* (MR3):

*'It just wasn't working, it was a talking shop, it was to tick a box, to say we've got our consultation forum. We weren't really consulting, we were just telling them about things.'* (MR3)

---

At this time, complaints from the employee representatives were becoming stronger and stronger:

*'It didn't have a very high profile and I don't think people really understood what we have been doing, certainly what the last three years have been spent doing and I think quite honestly we didn't achieve as much of that during that three years as perhaps we should've done.'* (ER12)

---

During the first three years it was purely the management team that put together the agenda and, according to the employee representatives and the management representative that were present for those meetings, they were highly disorganised and it seemed like no one was really interested in the forum.

*'In the first three years of it, I think there were times when I did wonder exactly what the most effective use of the forum was, and that would also be, if we had had a meeting where if it was just literally filled with information, presentation, you walked away a little bit felt like, how do I really justify my role here? How's the company justified the role of this forum and that was really in the first three years.'* (ER1)

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To the employee representatives it felt like there was a lack of management interest. It was just a chore, a talking shop and management had not invested their energies into making it more than a talking shop, into making a genuine consultation. It was just some ticking box exercise.

*'So it felt like you turn up, you find out what was going to be on the agenda, you have a bunch of presentations which would be just telling us about various things which it was unclear, you know perhaps from both sides why we were hearing about it, presenters were probably wondering what on earth they were expecting from this group, the group probably wondering what they were expecting on that topic, we get to the end of the meeting, handshakes all around, see you next meeting kind of thing. There was very little that happened in between. So the value we added was really small, we could provide some immediate feedback on what we were presented with but that's about it.'* (ER1)

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## **Revitalisation**

As a response to the rising complaints from the employee representatives, senior management decided to address the situation by hiring a specialised Industrial Relations (IR) manager in November 2007 to work on redesigning the forum in a more effective way:

*'When I was brought in I was asked to make sure that the NICF ran more effectively, in a more genuinely consultative way.'* (MR4)

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However, when the IR manager started redesigning the forum she ran into some unexpected challenges:

*'That's been an interesting experience because that's what Consult (UK) very specifically asked me to do but when I started to do it and there have been more and more challenges coming from the NICF, they would challenge me, then senior management had been quite startled and sometimes I have to cope with a negative reaction, start to criticise me for saying oh why are we talking about this and why are we talking about that, oh we must be careful of what we say blah blah blah, obsessive secrecy issues.'* (MR4)

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In order to add more consultative characteristics, the IR Manager introduced immediate changes in the design, and worked on a revised constitution that was going to come into effect after the elections for

new representatives; the term for existing employee representatives was coming to an end in July 2008. Immediate changes included an 'agenda call' a month before the scheduled meeting to discuss items in the draft agenda presented to the employee representatives and allow them to make amendments to the proposed items. This would give employee representatives the chance to be more involved with the agenda and have more influence over the types of issues discussed. An hour-long pre-meeting, before the formal meeting took place, was also introduced. In it, employee representatives would have the opportunity to discuss the agenda items and agree on an appropriate course of action. A senior member of the Legal department was also added to management representatives that attend the meeting to provide information and feedback on any issues that have a legal impact on the company or the employees. Lastly, a business update by the Managing Director (MD) was to be given at every meeting. Adding this as a permanent agenda item would stop the meetings from being cancelled, which employee representatives had identified as a problem with the old forum. From November 2007 to January 2009 two meetings took place where the new IR manager could test the changes and prepare for the formal introduction of them all in February 2009.

In autumn 2008, Consult (UK) decided to reduce the number of employees in the UK. As the numbers affected (about 600 people) meant the programme would amount to a 'collective redundancy' under employment legislation, the company was obliged to consult with employees before any final decision was made. Employee representatives were elected from the workforces affected by the redundancies and a consultation exercise took place.

A series of meetings were held to consult on how redundancies should be made and different options were discussed. The company's proposal was for compulsory redundancies (CR) based on performance appraisals but after much discussion the employee representatives persuaded management that voluntary redundancy (VR) was also achievable, and that it would have a more positive impact. The Company took on board their recommendations and decided to go for the VR option. All interviewees that participated in this consultation exercise (n=7) referred to the positive impact it had on the forum;

*'I think that was a good win for sure for the forum itself and that's what we should be doing.'* (ER11)

*'We helped with the round of redundancies, voluntary redundancy that leadership didn't want to have initially. But we managed to say that it would be a good option and it worked really successfully.'* (ER12)

*'The history is that the forum did exist in some form. But after the value that was added with the employee consultation, I think most people recognised that this is a vehicle that can be used by management as a sounding board to get ideas back and contribute to decision making process. And then the employees themselves understood that, actually here's a group of people that can help advance our concerns and see about our interests etc.'* (ER3)

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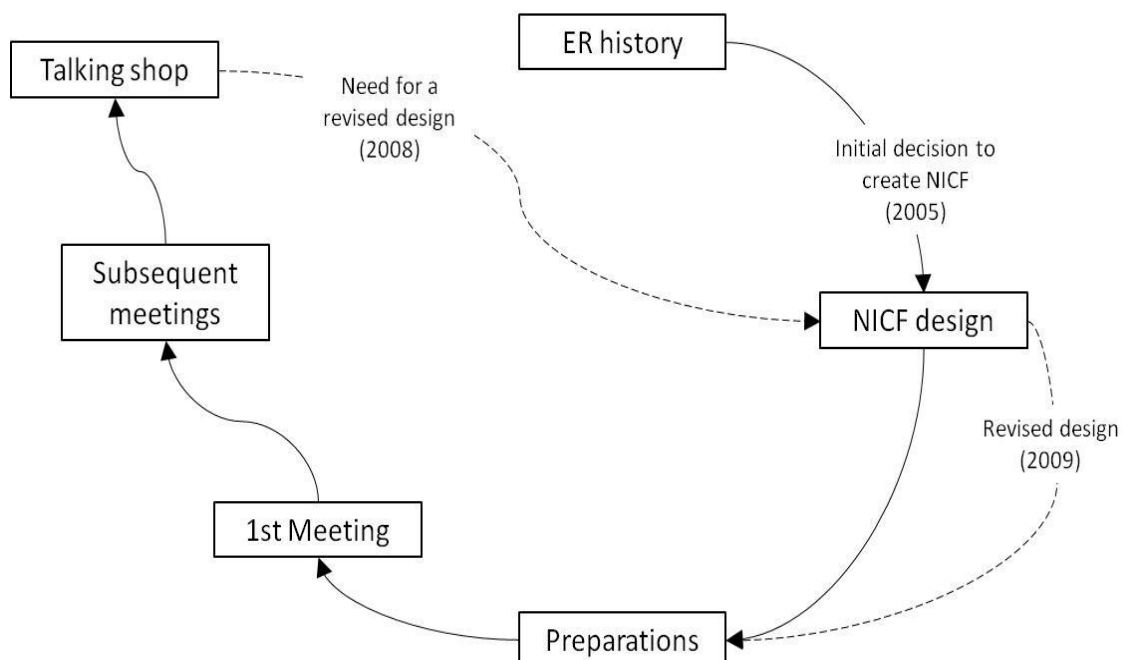
*'The decision makers are learning that we are a useful group to consult. We were involved in the recent round of redundancies, and consulted about that, and I think that the leadership team really saw the value into some of the decisions that we helped them get to, as part of those discussions. I think that they're getting better at learning what it is that we can be useful and should be useful for.'* (ER4)

*'It's much more visible now I think partly due to the fact that the NICF were involved in the redundancies.'* (MR3)

*'It was a real watershed moment when that redundancy exercise was completed because people realised that the company did listen to employees, and not only that but that employees had something valuable to add. So it was a moment of great empowerment really, a huge wake up call, much greater respect to the NICF.'* (MR4)

Figure 7.1 below is an adaptation of the six stage model (Dietz and Fortin, 2007) illustrating the NICF's process to the form that it would take after its revamp in 2009. It describes the initial decision to create the NICF in accordance with the EUD in 2005, and how the need arose to revamp it after it was characterised by employee and management representatives as a talking shop. The decision to revamp the forum led to a revised design and preparations to introduce the new forum.

**Figure 7.1:** the NICF process (Adapted from Dietz and Fortin, 2007)



## THE 'NEW' NICF

Elections were held in January 2009 in which four employee representatives from the 'old' forum and 16 new members were elected to join the NICF. The majority of the employee representatives had also acted as representatives on the redundancy consultation exercise the previous autumn.

The 'new' NICF started its operation with a newly designed constitution and elected representatives in February 2009.

### Design

The new NICF constitution was signed in February 2009 and it formalised the changes that were introduced in 2008 by the IR Manager. The constitution has a fairly standard structure, covering employee representation, regularity and form of meetings, time off for employee representatives, confidentiality agreements, and resolution of disputes. In general terms, the purpose of the forum would remain the same:

*'The Company established the National Information and Consultation Forum to strengthen the process of information and consultation between the Company and its employees at a national and strategic level, to improve the mutual understanding of the Company's business, its performance and the challenges and opportunities that face the business in the future and to promote communication, co-operation and employee participation at all levels of the workforce, in the interests of both the Company and its employees.'* (NICF Constitution, 2009)

In an effort to cover all potential issues that could be of interest to the NICF, the focus areas in the 2005 constitution were summarised in more general terms. The NICF is a standing body to:

- 1. Give information about strategic decisions and issues of importance to staff at a national level;*
- 2. Promote an exchange of views between management and staff about those issues;*
- 3. Test ideas and approaches with staff; and*
- 4. Give staff an opportunity to influence the implementation of decisions, which will impact on all Company employees.* (NICF Constitution, 2009)

In terms of consultation, the NICF can provide comments on the plans or proposals submitted to it by the company at a NICF meeting and may request a meeting with applicable company management representatives to discuss such plans or proposals. The decision as to whether to carry out or refrain

from a particular course of action rests solely with the company. It is also the intention of the company that the proceedings of the NICF meetings, insofar as they do not contain confidential information, should be communicated to all company employees after all attending parties agree the content of communication. During the meetings the Chairperson should specify what information is confidential and cannot be communicated to the rest of the workforce. Crucially, the constitution is rather vague on what might constitute an item for consultation, creating 'grey' areas of interpretation that would become a recurring problematic issue.

Additionally, the employee representatives prepared a code of conduct, which was then incorporated as an official document in the NICF's constitution. This code of conduct was intended to provide a baseline as to what is considered acceptable behaviour during the operation of the NICF and encouraged an understanding, respectful, positive and constructive behaviour from all NICF members.

## **Preparations**

The only form of preparations the company had in place for the employee representatives was to arrange a full day's training session with an outside provider, the IPA, who specialises in training JCC representatives and it was arranged by the IR Manager.

Training took place a day *after* the first meeting however. So in a way the first meeting also acted as an unplanned, unofficial getting-to-know-you session for the employee and management representatives, as this was the first time most of them ever met with each other.

The main points of the training session were a presentation of the general role of the employee representative, the objectives of an information and consultation forum, what gives consultation a good start, what is consultation, the benefits of effective consultation, and the ways to go about achieving that.

All employee representatives said in their interviews that they found most beneficial the 'IPA option-based consultation model', presented to them during training. The key steps of the model are:

- the identification of business objectives at a strategy and policy development level;
- the identification by the employer of different options which then are shared with the employee representatives well in advance of any meeting;



- the start of consultation before a decision is made where options are examined, representatives share views and may offer alternatives so that representatives have an opportunity to influence the outcome;
- managers take the final decision after taking the representatives' views on board; communication of the decision after having consulted with the employee representatives about the best approach;
- and finally a continued discussion between management and representatives about related issues and the sharing of progress updates.

This model set employee representatives' expectations on how the company should consult with them through the forum.

All employee representatives who were interviewed (n=13) expressed a positive opinion about the training they received:

*'that is another thing that helped in the new forum to really set things off, really hitting the ground running because suddenly we were able to really look at what we were there as a group to do, and what we could achieve.'* (ER1)

*'It was good and there were some really good examples of how a forum can benefit not just the employees but the business as well and it can even help the business to put out the difficult messages.'* (ER11)

*'Well actually yeah this is what we should be doing [as a forum]. We should be challenging and understanding the rationale of the things. And understanding the different options that management came up with, so that we ourselves can have a better understanding, and give our constituents the confidence that it's not just somebody making a decision on a whim, there is rationale behind it, there is benefit to it and we agree with that particular approach, so consultation with a view to an agreement. It has enabled us to be more effective in our roles.'* (ER3)

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All of them (n=13) said that it would have been even more beneficial if management had received training as well, as the only one that was present from management side was the IR Manager:

*'I think they need training, yes... I think that's a frustrating element of the forum, is that we have been trained, we know what we're supposed to be achieving but management don't know that.'* (ER9)

*'I think that would be very valuable even if it just breaks that initial reticence that they seem to have with coming to us with things.'* (ER11)

*'I think we all felt that it would have been better had there been leadership there, you know, it's also important that they understand the same things that we do.'* (ER12)

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As will be shown in the analysis section, this lack of participation in the training from management created a mismatch of expectations. Employee and management representatives had different expectations about what constitutes consultation and what sort of 'consultation' issues reach the forum. After the training, employee representatives were expecting to be consulted about issues before management reaches a decision. This has happened in extremely rare occasions.

## **Structure of meetings**

To better understand the meetings, it is important to have a clear picture of how they are structured. The meeting details presented in this section are from my observation notes.

The meetings are a day long, starting at 10am and finishing at 5pm and are attended by the employee representatives, the Chair, the IR Manager and her assistant and a member from the Legal Department. The Legal representative is the same for every meeting.

Additionally, employee representatives have the chance to have an hour-long pre-meeting, from 9am till 10am. This gives them the opportunity to discuss face-to-face the agenda items and agree on a certain course of action. An employee representative on a rotating basis chairs the pre-meetings.

Apart from the regular participants, managers with specialised knowledge on each item in the agenda attend and give a PowerPoint presentation of the issue. Participants can ask questions and debate the issue during or after the presentation. The agenda material is sent to all participants a week before the meeting and the day of the meeting a booklet is distributed to all containing a copy of the constitution, code of conduct, previous meeting's minutes and the list of the agenda items and presentation material.

## **First meeting**

The data used in this section are from the interviews with NICF members and the meeting's minutes.

The first meeting of the newly elected NICF took place in February 2009. Most of the new representatives went to that meeting, as they said, with an open mind and with no expectations about it since they did not have a clear idea of what it was supposed to be doing (recall that the IPA training was scheduled for *after* the first meeting). So, the first meeting to them was about setting the context for everything that was to follow and 'people were very enthusiastic, very keen, motivated' (ER8).

Table 8.1 below shows the agenda items and whether those were ‘information-sharing’ items (I) or ‘consultative’ ones (C). Following the training they received and the EU Directive, an item is identified as ‘consultative’ only when it is brought to the forum before a decision is made. An item is identified as ‘EUD’ when consultation for that item is required by the EU Directive. The classification was made after reviewing the meetings’ minutes; the discussion held for each item clarified whether a decision was already made before the item reached the forum. For example when a decision was already made there was a presentation of the details of the decision and how it was to be implemented with questions from employee representatives following. As can be seen from Table 8.1, the first meeting was dominated by informative items and not at all consultative, not even for issues that the EU Directive deems consultative.

**Table 7.1:** February 2009 agenda items

Meeting	Items	EUD	I	C
February 2009	Business Update		√	
	Summary of election results		√	
	Constitutional amendments		√	
	Business restructuring	√	√	
	New IT tool		√	
	Facilities Strategy	√	√	
	Travel Policy		√	

**Source:** February 2009 meeting minutes

The chairperson at the time, C1, started the meeting by conducting the appropriate introductions and explaining the company’s expectations of the forum. According to the meeting’s minutes, C1 explained that the NICF is an employee consultative body designed to provide input and share strategy. It is also the expectation of the company that members should be engaged and adopt a measured approach, despite some of the emotive issues covered as well as considering the business and wider employee perspective. He concluded that the forum should be based on resolution rather than simply discussion.

Although all of the representatives (n=13) when interviewed said that the chairperson (C1) made sure that everybody’s views were heard, several of the employee representatives (n=5) expressed a view that his style was ‘abrupt and very business-like’ (ER9), and indicated that despite the rhetoric, he was not fully committed to the idea of the forum:

*‘I felt that C1, who’s the chair, I felt that his attitude was very much like, “you’re here to discuss, you won’t be delaying decisions”, you know, he was more implying that actually the forum was a tick box exercise and actually, you know, while our role was important, be under no impression that you know, we’re not going to stall things up in the organisation, we’re just an informative group.’ (ER8)*

The next item was the business update from the UK MD, which was highly confidential. One of the first things he mentioned was that he valued the dialogue with the NICF and would like to continue this and that the role of the NICF in the redundancy programme was exemplary. The employee representatives also appreciated and valued the MD's update and presence at the meeting and his friendly, open and honest attitude (n=10);

*'I have huge respect for him coming every single time to the forum to talk. I'm actually quite surprised, but pleasantly, that he does that and I have a lot of respect for that; that he comes every single time to the forum, takes the time out to come and do that. He comes along, he spends the time, he talks us through it, he's more open and honest with us than I actually perhaps would have expected him to be and he always stays to answer questions. And it always feels like he'd be happy to stay there for even longer if it wasn't for the fact he's probably got another meeting to go to. (ER1)*

*'I think he seems to be quite positive with the forum. I think he's always very happy to come along and talk to us and generally I feel that he's giving us the information that we need. I'm always pleased to see that he feels he can give us the confidential figures and things like results about the global employee survey before they come out and that kind of thing. I do feel that he thinks we're a trustworthy body that deserves to know the information he's giving us.' (ER12)*

*'I find him warm, I think as far as you can say about the Managing Director, he's as open as he can be. I think he sometimes takes risks on the level of information he gives to us, which to me demonstrates he has some trust in us. I have a lot of respect for him.' (ER13)*

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Where things got a bit more strained and challenging was with the next item on the agenda, which was a summary of the NICF election results and feedback on the process from the representatives. Here, the representatives suggested that there is not enough information available about what the NICF is and that people were not aware of the role of the NICF especially in the redundancy procedures (from then onwards it was decided that the relevant NICF employee representatives will also act as employee representatives in any future redundancy exercise). The representatives also discussed the communication issue and raising the profile of the forum and making it relevant. They also requested a slot at a future NLT meeting to do a presentation about the NICF so that they have a clear picture of the purpose and role of the forum and the benefits it can have for the business.

Having not had training yet, employee representatives were eager to ask and get answers about issues like what visibility did the forum have within the management team? What visibility did it have within the workforce? What communication channels did the forum have? What methods did it use? What are the mechanisms or the vehicles for taking on the feedback? How is the agenda decided? What is the process? When are they involved in the decision making process? The answers to these questions were

given at the training the next day. The discussions were described by most of the representatives (n=8) as being conducted in a professional and respectful manner with eventually a positive outcome:

*'I think there were times when they were a little bit strained but the eventual outcome of that was to strengthen the relationships. So the challenge helped to create a, ultimately, more positive angle because it required answers which was for the benefit of the whole forum.'* (ER1)

*'So the first meeting for me went pretty much as expected although again as I say, everything was fairly, "this is what we're doing" or "this is what we've done" not "here's what we'd like to do".'* (ER11)

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All in all, the first meeting created positive feeling and high expectations to the representatives: 'A very positive experience'; 'This is the start of something good' (ER3); 'It was a wholly positive experience when I came out of the first meeting' (ER4); along with some who were more cautious (n=3):

*'Well, certainly I had more information than I had the day before. I thought I was part of something. But at the same time I still have some scepticism. Can we keep up the momentum? Can we do all these things?'* (ER5)

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### **Subsequent meetings - the transformation into a 'talking-shop'**

In subsequent meetings it proved harder to sustain the positive climate that was created in the first meeting. As soon as matters arose that were of a more consultative character on which management failed to consult with the NICF, perceptions started changing.

#### **May 2009 meeting**

The second meeting was held in May 2009, this time with a different chairperson (C2), another member of the NLT, as C1 was otherwise engaged. Table 8.2 shows the agenda items for this meeting. The data used in this section come from minutes of the meeting.

**Table 7.2:** May 2009 agenda items

Meeting	Items	EUD	I	C
May 2009	Desk booking Policy	√	√	
	Update on Travel Policy		√	
	Diversity Monitoring		√	
	Business Update		√	
	Code of Conduct		√	
	Relationship between NICF and NLT		√	√
	Contract options	√	√	
	Pay Determination	√	√	
	Health and Safety	√	√	√
	Disciplinary/Grievance changes	√	√	

**Source:** May 2009 meeting minutes

In total out of the ten items on the agenda, eight were of an informative character (a presentation of schemes that were about to roll out to the workforce), and two were of a more consultative character; a discussion about the NICF's relationship with the leadership team (NLT) and a health and safety review item. Once again the company did not consult for the majority of 'consultative' issues, as required by the EU Directive.

However, a few weeks before the meeting took place, the company had announced that they were going to introduce a desk booking system for the London-based employees; previously, the company used hot-desking. This involves primarily the consultancy workforce as they are mainly working from a client's site so they do not need a permanent desk in the London offices. Consultants do not have an assigned desk at the company's offices, but when they require one, they can use a free work-desk without any previous notification. This announcement came with no other explanation other than that it would be a permanent change and that all employees should book a desk before coming to work in the London offices. According to employee representatives, as there was no explanation about this change, many employees expressed their disapproval of the system to their representatives and requested to know the reason behind it.

Employee representatives advised that a meeting was scheduled with the Director responsible for this decision to understand the business objectives of the desk booking system. This is the first decision after the re-launch of the forum that was communicated to the whole workforce without any involvement of the NICF.

There was also some development on the attendance and presentation of the forum to the NLT. A few employee representatives had a meeting with C1 and explained to the forum that it was a discussion on the purpose of attending the NLT. It was decided that some employee representatives, selected by the

forum, would attend the NLT but that they would first seek to understand the relationship between the NICF and the NLT and that, while it would be a good idea to explain to the NLT what the forum does and its views on consultation, it is important to present a more specific example on how the NICF can add value. A sub-group of employee representatives that volunteered began work on this soon after the meeting.

At the end of the meeting the employee representatives raised the performance management process (their constituents had requested more information about it as, to them, it lacked clarity) and asked to have a review of it at the next meeting. They also expressed their satisfaction with the meeting, that it had been constructive and more consultative than previous, and that they appreciated that C2 was very consultative and involving.

### **August 2009 meeting**

This was the first meeting I observed and this was the first chance for me to see the different relationship dynamics and behaviours in the room, and how the meetings were structured. As this was the first meeting I observed and I required the employee representatives' permission, I was not able to observe their pre-meeting. After I got the chance to meet all of them I gained access to their pre-meeting as well. This was to take effect from the next meeting onwards. The data used in this section are from the meeting's minutes and my observation notes.

As soon as I stepped in the room I felt welcomed. The atmosphere was friendly and while dealing with the last preparations before the meeting started, employee and management representatives were discussing and making jokes about 'hot-topics' in the news.

What I soon realised was that employee representatives never forgot their 'day job' during the meetings. Laptops were always on and every chance they got they were checking their emails, replying to them and sending reports. Especially if the item presented at the time was dull; typing increased exponentially for 'info-only' items. However, this happened rarely in this meeting.

C2 was again the chairperson. As shown in Table 8.3 below, there are five consultative items in the agenda.

**Table 7.3: August 2009 agenda items**

Meeting	Items	EUD	I	C
<b>August 2009 (Observed Meeting 1)</b>	Voluntary Redundancy Reasons Analysis		√	
	Constitutional Amendments		√	√
	Business Update		√	
	NICF's Communications		√	√
	Human Capital and Diversity		√	
	Restructuring	√	√	√
	Alternatives to Redundancy	√	√	√
	Compensation Communications	√	√	
	Performance Management	√	√	
Link between NICF and NLT		√	√	

**Source:** August 2009 meeting minutes

This is the meeting with the most consultative items. However 'Compensation Communications' and 'Performance Management', although required to be 'consultative', were not, and the 'Performance Management' issue, in particular, created more friction later on. The rest of the 'consultative' items can hardly be characterised as strategic. In fact, one of the employee representatives (ER9), during the discussion on 'Performance Management', mentioned that so far consultation was happening 'post decision-making' with a view on how to implement the decisions. However, he continued, it is the employee representatives' wish to 'take it to the next level and consult before decisions are made'. This debate started when the presenter asked employee representatives for their opinions regarding performance management. Employee representatives challenged the process, saying that it is not clear to the workforce how certain aspects of it worked, and asked for more involvement in the future when introducing changes to the scheme. Both the IR Manager and C2 agreed with that point and said that this is something they need to work on and that is why an effort is made to strengthen the link between the NICF and NLT. It took almost two years for that to happen.

One other consultative item was a NICF initiative that started during the redundancy exercise and involved alternatives to redundancy which the company had agreed to take into consideration if another redundancy round is considered. Those alternatives were reviewed earlier that year and were now finalised as a policy in an effort to avoid future redundancies.



## Events between the August 2009 and November 2009 meeting

Data used in this section are from interviews with NICF members.

Decisions were taken between the August and November 2009 meetings, on issues that the representatives thought they should be consulted on, without involving the forum. Specifically, it was announced to the forum a few days before the general announcement to the rest of the workforce that one of the London offices was going to close. This meant that people had to move offices and employees who had no specific office would now use the desk booking system whenever they had to work from the company's offices. That decision made the representatives feel like they were misinformed as the company had told them that the desk booking was a pilot test. To them the real reason seemed to be that because the company had decided to close one of the offices they also had to find a way to manage the office space more effectively. Representatives felt that the company had no reason not to provide the real explanation behind that decision and were disappointed by that move:

*'The announcement about the office closure came and it suddenly became crystal clear why the desk booking policy was necessary. And I understand that probably the leadership team need to be able to not tell us some things at some points, although we have all signed confidentiality agreements, so why we wouldn't have been able to know that it was an office move that was happening, I'm not sure. That almost felt like a little bit cloak and dagger, in that "we're going to trial this desk booking thing", "alright that works great, now we can do the office move". It wouldn't have been too hard to tell us that it was an office move going on; because we wouldn't have wasted a lot of time talking about why desk booking is such a bad idea under the old model, which it was, but now under the new model it's essential.'* (ER4)

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The second thing that negatively affected the representatives was another announcement via email from the company that they were going to remove a discretionary holiday they used to give to all staff during Christmas, 'so all the NICF could do is talk to them about how people were going to feel about that and how they could communicate that more effectively, when they should communicate it rather than have they thought of doing it a different way' (ER9). The representatives managed to convince the company to apply this decision not for Christmas 2009 but for Christmas 2010, in the hope that they could have a consultation session about it before that. This did not happen.

When the first-round of my fieldwork interviews was scheduled, both announcements had already been made and during the interviews all representatives (n=13) expressed significant disappointment about this:

*'At the moment, the majority of the things that come to the forum are already acted on. I mean the typical thing is that, you know, "we're going to put out an announcement, this is the announcement, what do you think", rather than, "we're trying to achieve this, these are the options, what do you think".'* (ER9)

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A meeting was scheduled in October 2009 between a group of employee representatives and the Director (MR2) who communicated the removal of the discretionary holiday and seemed closely involved with this decision. This was the same Director the employee representatives had met with a few months before to discuss the desk booking policy. What follows is the Director's account of that meeting:

*'When I spoke to, I think it was three or four of the forum members, a few months ago, we were talking about this discretionary holiday conversation which is going on and on and on. At the beginning of the meeting with the four of them I noticed they all had notepads and stuff like that and I said, "if you want me to speak openly then I need you just to summarise the conversation rather than take lots of notes. If you're going to write down everything I say then I'm going to have to choose my words very very carefully so what would you like?" And we agreed that they would rather have an open conversation where we could just talk about you know the challenges of the topic, and then at the end of the meeting we agreed that they would write a very summarised view, send that to me, make sure I was happy with that, and that's what they would post on their website. So the next thing I see is when the communications manager responsible for the NICF's website, forwards me a letter written by those people, saying here's all the things that I said that they wanted to see posted on our internal monthly communications newsletter, which goes out to the whole practice, without sending it to me first. So for me there was a kind of actually I'm now going to be more cautious. So now, you know, if I have another meeting with them I'm more likely to take someone from Employee Relations, be very clear about you know, and also be very cautious about what I'm saying'.* (MR2)

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This event defined MR2's initial opinion about the forum's employee representatives and had a big impact on the forum, as later MR2 became NICF's chairperson (C3) taking over after C1 stepped down.

### **November 2009 meeting**

Data used in this section are from the meeting's minutes and observation notes.

### *The pre-meeting*

A very energetic conversation about consultation took place between the employee representatives at the pre-meeting. One of the employee representatives (ER11) asked the rest about the level of value the forum is adding and if enough consultation is happening. All of them said that consultation was not happening, with one of the representatives (ER9) saying that *'leadership are not comfortable with us yet'* and another one (ER11) wondering *'are we a communication forum or a consultation forum?'*, and how can they actually follow the training about option-based consultation when they *'are not aware of the options?'* (ER1). ER9 added that *'we can only add more value the earlier they come to us'* and ER12 suggested that they *'should focus on things where we can add value'*. Some of the representatives believe that a contributing factor is the secretive culture of the company that significantly affects the NICF, with another representative (ER11) saying that *'things are being planned, but we don't find out about them. It is about respect'*. They concluded by saying that over the last four months there have been several issues that they were informed about at the last minute and that they should express these opinions at the forum. (Observation notes)

### *The meeting*

C1 returned after the 'new' NICF's first meeting. As he informed the participants, this was going to be his last meeting. In fact, he was going to chair half of it, till lunchtime and then C3 would take over.

After apologising for his absence in the two previous meetings, he commented that a lot had gone on in the company since the last time he chaired a meeting and, as if he knew, asked the representatives how they felt *'about things, life, Consult (UK), economy'* and if they were happy with how things in the forum were going. ER12 replied saying that *'we feel we're going back to the communication forum rather than consultation, we should be involved earlier'* and that employee representatives felt that they were not always being treated as a recognised consultative body. For example, they had not been consulted over some key issues such as the performance management changes and the removal of the discretionary day and therefore were not given the opportunity to add value. Finally they suggested that one way to be involved earlier in the decision-making process is to make the relevant team responsible for the decision aware that the NICF *'should be involved and feed in the process'*. (Observation notes)

C1 replied that

*'this is an area, which we've not made a big breakthrough, we haven't really made progress, we've talked about it, we made some progress in some areas. All of the examples you've mentioned come from infrastructure, facilities management, HR, not actually driven from the business. It really should be easier. I think actually, if we can tap into the enterprise functions, in terms of visibility, you know, you've talked about performance management, the discretionary day, all of that come from MR2's area, in terms of policy changes, in terms of new recommendations. I think we need to have a go at that and see how we can break into change coming out of enterprise.'*

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ER12 commented that

*'there is a concern that because we're not being involved from the beginning, we're not quite sure what the big picture is. So these individual things come along, one thing after another, after another, desk booking, office closure, discretionary day. What else is coming? Should we have better knowledge of what's coming? And the rest of it really making sure we understand the rationale behind decisions, and really understand what the problem is and what needs to be done. We understand that there are some business areas that things have to happen but there are some areas that we've got experience on different aspects of things.'*

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C1 answered defensively that the company is sharing highly confidential information with the NICF – referring to the 'Business Update' item that is regular in every meeting – and suggested that the group spoke with MR2 (MR2 is going to be referred to as C3 from here on out) as the examples fall under his area (C3 was not present during this discussion). C1 also suggested that reward options in the future be discussed as a consultation topic in the next meeting and so it was added as an item on the agenda. (Observation notes)

After the discussion was concluded, normal proceedings of the meeting started. Below (Table 8.4) are the agenda items of that meeting. Out of eight items on the agenda, one was at the consultation stage before a decision was made and that was changes to the paternity leave policy where employee representatives were able to get information about different options and give feedback.

**Table 7.4:** November 2009 agenda items

Meeting	Items	EUD	I	C
<b>November 2009 (Observed Meeting 2)</b>	Business Update		√	
	Celebrating Performance		√	
	Performance Management	√	√	
	Desk booking/Discretionary Day	√	√	
	Update on Restructuring		√	
	Equality Bill		√	
	Paternity Policy	√	√	√
	NICF's Communications Update		√	

**Source:** November 2009 meeting minutes

Up until that point all participants had agreed to me recording the meeting. I was asked to stop recording while the UK MD was present to discuss the Business Update due to the highly confidential nature of the item.

The issue of presenting to the NLT was again raised when the UK MD was there to give the business update and said that he would be happy for NICF representatives to have a slot at a NLT meeting. He also said some clarity would be useful around which topics would be suitable for consultation but without actually suggesting a specific time and date for that to happen, which would allow for action to be taken (observation notes). At this point C3 took over for C1. I was also not allowed to continue to record from then onwards for the rest of the meeting and future meetings, as C3 was not comfortable with that.

When the performance management item came up, the discussion became energetic again (observation notes). It was to be an information item where the manager presented the changes that were to be introduced to the performance management for one of the workforces. Yet the representatives then raised the issue that they were not involved in the consideration stage of the changes and pointed out that they could add value in the early stages of any proposed change and that they *'should be getting involved when there are options on the table'* (ER3). The IR Manager (MR4) agreed with the employee representatives' point and said that *'before February 2009, employee representatives were frustrated by the lack of consultation and information and we should now take it to the next level'*. ER7 said that as a forum *'they should be able to contribute more by being consulted earlier on at the design'* and wondered *'if we are not participating in this sort of things then what is our purpose?'* This question remained unanswered. (Observation notes)

Instead, C3, giving a rather diplomatic reply, said that he was happy to pick this up with the UK MD and the Human Capital Director to understand why the NICF were not involved more often and how this

could be addressed. He suggested that a Performance Manager should return to the NICF to update and consult on the on-going performance process changes (observation notes and meeting's minutes).

The meeting's atmosphere remained dynamic, as it was time to discuss the discretionary day. C3 said that the background discussion had been around whether it was still appropriate to have this day and if it is in line with current market practice. He said that the NLT view was that it was something coming from the old holiday policies, and therefore was not appropriate anymore in the light of the company's generous leave entitlement. The representatives then asked if the cost element was a factor in the decision and C3 said that this is not something that he was aware as a factor, but that the holiday was at odds with their competitors. Representatives then asked if this was an appropriate message given that the company was striving to differentiate itself from its competitors. C3 suggested he would approach the leadership team about how the group felt about this issue, and also how the forum could be involved more closely in reward strategy. ER6 commented that *'it felt like you were side stepping us when you announced it before this meeting'*. C3 avoided directly replying to that comment, and said that *'people say it's unfair and I understand that and I'm happy to address that with the Rewards team'*. He offered to talk to NLT regarding involving NICF more into the rewards decisions and also other relevant decisions. (Observation notes and meeting's minutes)

For the whole day, not once did any of the attendees behave in an impolite manner, every single one was respectful and employee representatives showed no fear in expressing their concerns and feelings and management seemed to be listening to those concerns and were trying to address them (observation notes).

## **April 2010 meeting**

Data used in this section are from the meeting's minutes and observation notes.

### *The pre-meeting*

Employee representatives spent the first 30 minutes of the pre-meeting catching up before ER4 took over as chair. They started going through the agenda items with some of them saying that they are eager to see how C3 will approach the meeting, since this was the first full NICF meeting he was chairing. ER4 suggested that they should focus on the 'Performance Management' and 'Discretionary

Day' items, pointing out that these are the sort of issues that NICF should be involved in at an earlier stage. They all agreed with this point. (Observation notes)

### *The meeting*

This was a rather dull meeting, with only one consultation item in the agenda of no strategic value (NICF's communications). On the contrary, the company again did not consult, as was required, on three quite important issues (Table 8.5). The only time employee representatives were not focused on their laptops was during discussions about performance management, the discretionary day and the business update. (Observation notes)

**Table 7.5:** April 2010 agenda items

Meeting	Items	EUD	I	C
<b>April 2010 (Observed Meeting 3)</b>	Restructuring Initiatives Update		√	
	HR Transformation Programme		√	
	Workspace Initiative	√	√	
	Performance Management/Reward Strategy	√	√	
	NICF's Communications		√	√
	Consult (UK) on Women		√	
	Discretionary Day	√	√	
	Business Update		√	

**Source:** April 2010 meeting minutes

C3 introduced himself as the new chair of the NICF and advised that he is 'very keen for this forum to work'. He observed that the current structure of the meetings seems to result in a long day and he would like to look at the content in future meetings to make sure that the group can add real value and have a positive impact. He expressed his desire to refocus the forum on a more consultative approach, and, being quite honest about it, said that at the moment the NLT has mixed feelings about it and its added value, and they still are not 100% behind it, and he wants to change this view. He also said that he would like to ensure the leadership team are aware of the value it can add and that he would like to shift the current perception of the NICF so that it becomes a much more positive experience for participants. Representatives reiterated that they are interested in options-based consultation in a timely manner and that this can lead to higher engagement from employees. C3 said that he would like to engage leadership so that they begin to come to the NICF proactively. The representatives advised that they had a slide deck prepared to take to the NLT to show a direct link between early consultation and engagement and examples of the type of issues that the NICF can add value and suggested that C3

should view this (meeting's minutes). The representatives at this point seemed frustrated by the fact that a year and a half had gone by from their initial request to attend a NLT meeting and talk about NICF and still nothing had happened (observation notes).

C3's view is that *'the forum is not consulted yet and only gets information after the event, and they need to improve this'*. He said that he wants to get across to the NLT that there is *'a direct correlation between the forum and employee engagement'* and maybe have more ad-hoc basis meetings. He also wanted items on the agenda limited to those that were important for consultation and adding value (observation notes).

Performance management was once again on the agenda, but the manager responsible for the presentation was unable to attend. C3 suggested that the discussion be rescheduled to take place with employee representatives from the affected workforces.

The discretionary day was again a topic of discussion. C3 acknowledged that the communication may not have been as clear and thorough as it could have been; *'it wasn't handled in the best possible way and we need to recover from that mistake and reset expectations of people'*. He said that it was not fair to communicate it like that, *'taking something away, without giving anything back'*. The group asked if they would be involved in future communications about it and C3 said that he aims to make the group successful and be a successful chair and therefore this is his aspiration: *'I want to be a credible chair for the forum'* (observation notes).

The last item on the agenda was the business update by the UK MD. Again, he shared highly confidential information with the forum and expressed his gratitude to the employee representatives for making time for the forum and working hard and looking after the company's people, which is something *'hugely important'*.

The whole meeting felt less tense than the last one and representatives also looked more comfortable with C3 as chair, the atmosphere was more friendly and informal. (Observation notes)

## **September 2010 meeting**

Data used in this section are from the meeting's minutes and observation notes.



### *The pre-meeting*

After the usual catching up, ER1 took over as Chair and went through the agenda. Not a lot of discussion went on about the agenda items. The employee representatives were again focused on performance management and the discretionary day issues but it felt like they *'had talked to death about them both'* (ER9) and there was nothing else to say until they actually heard the views of the management side. Especially for performance management, once again, changes were already implemented without NICF's involvement. Strangely enough, employee representatives showed an apathy to the subject, only saying that they will again point out that they were not involved earlier and provide feedback if asked. Concerning the discretionary day, since they had no information on any developments they decided to wait and see what C3 had to say about it and act accordingly. (Observation notes)

### *The meeting*

This meeting proved to be another dull one, with only one consultation item in the agenda; paternity legislation. Employee representatives appeared again more interested in their emails than the topics of discussion for the day. Items of great interest were again performance management and the discretionary day. (Observation notes)

**Table 7.6:** September 2010 agenda items

Meeting	Items	EUD	I	C
<b>September 2010 (Observed Meeting 4)</b>	Performance Management and Reward	√	√	
	Business Update		√	
	Paternity Legislation	√	√	√
	Volunteering Policy		√	
	The Coalition Government		√	
	Health and Safety Policy	√	√	
	Restructuring Initiatives		√	
	Discretionary Day	√	√	
	NICF's Communications		√	

**Source:** September 2010 meeting minutes

C3 talked about the on-going challenge of involving the NICF in decision-making. Most of his introduction was a repetition of things he had already said back in April 2010 with no other developments or tangible actions being taken on the matter.

He said that in terms of employees, employee environment and terms and conditions the decision makers in the NLT are the Human Capital Director, the Geography Director (C3), and the UK MD. C3 said that it is key that those people are familiar with the reasons the forum exists from a legislation point of

view and, secondly, that they can see tangible benefits from consulting with the forum. He also said that it is important to clearly understand the position and role of the NICF. He said he would like to send a summary based on the already prepared slide deck to representatives before then discussing the group's role with the UK MD and Human Capital Director. He pointed out that the company *'rarely consults before decision making. They need to learn to do so'* (observation notes), and that they need to educate the UK MD, himself and the Human Capital Director that consultation has benefits. What needs to be done over the next few months, therefore, is to work on the clarity of the forum's role and what the forum can do. An employee representative (ER14) replied that what is also needed is for the NLT to make the commitment to consultation and make the commitment that they will listen to the forum (meeting's minutes and observation notes).

After this, the meeting commenced with the second item, performance management, as an information item - the changes were already introduced in the performance management process without consultation with the NICF, even though employee representatives had requested they be involved in the process since the November 2009 meeting. The representatives gave feedback on how the changes were communicated to the workforce.

The apathy that seemed to cover the meeting (one representative fell asleep during 'The Coalition Government' item) was lifted when it was time to talk about the discretionary day. C3 conceded the lack of dialogue and said that he will be discussing the issue with the UK MD to see if anything will be communicated but that the decision still remained. He discussed that there were two options at the moment - to communicate nothing as it was communicated last year or to send a standalone communication to advise that there will be no discretionary holiday this year. The representatives advised against not referencing it at all, and said it should at least be included in the normal information email about work during the Christmas period. They also pointed out that by the nature of discretion it should be something that is considered and communicated annually unless a final decision is made to completely remove the day.

### **Events between the September 2010 and March 2011 meeting - The NICF seen as a 'rubber-stamp' exercise...**

Data used in this section are from interviews with NICF members.

In October 2010, C3 announced to the NICF that the NLT decided to completely remove the discretionary holiday and that they did not intend to communicate this decision to the employees. In response to this, the representatives sent a letter to C3 expressing their disappointment about the

decision and suggested that they should inform the workforce about it if that was their final decision. A conference call was then arranged between the representatives and C3 to discuss on the subject again and agree on a communication strategy. That conference call was scheduled at the same day as a general meeting for one of the biggest workforces of the company (about 1500 employees). The conference call was postponed until two days later, because C3 was suddenly engaged elsewhere. He did attend the general meeting though, as he was supposed to act as Chair and give a talk on the performance of the specific workforce. In his introductory talk at the meeting he announced that the discretionary holiday was going to be completely removed as of Christmas 2010. The representatives were quite disappointed by this announcement and felt that C3 *'went behind their back and completely disregarded the forum'*. The conference call did take place and the climate was extremely tense. C3 explained that he saw the meeting as a good opportunity to communicate the decision to a large part of the workforce especially since the forum had already said that it was something they should do once the decision was final. (Second-round interview with C3)

After the call, the representatives drafted another letter and sent it to C3, expressing their disappointment with the decision and especially with the reasoning behind it. As they said, they believe there is a *'lack of clarity in this rationale and a feeling of disbelief in the honesty of that statement'*. They also said that at the next NICF meeting they would like to discuss how the NICF can be most effectively utilised by Leadership and what they feel its role is in relation to decisions that directly affect the working practices, benefits and engagement of UK employees:

*'We believe that the debate around the removal of the discretionary holiday provided a perfect opportunity for Leadership to effectively consult with the Forum to achieve the most positive outcome for our employees (even if this had still finally meant the removal of the benefit) – this has patently not been the case. Due to this lack of engagement and open dialogue with the Forum on this issue, many of us are beginning to question the validity of the Forum as a 'value-add' group that is used to consult on important issues affecting the UK workforce. We believe we can be more effectively incorporated into the Company's decision making process rather than purely fulfilling a legislative requirement for the Company as a large-scale employer and 'rubber-stamping' decisions that are already made, or communications that have already been written.'* (Part of the letter sent to C3 – 30/11/10)

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After this, a number of meetings took place between the IR Manager (MR4) and C3 to find a way to increase the involvement of the Human Capital Director, the Geography Director (C3), and the UK MD with the forum.

The employee representatives on the other side were working with the IR Manager on setting up the next meeting's agenda to try and resolve the issues that came up. At the point the decision was taken,

the forum was characterised as a 'talking shop' with no involvement in the company's decision-making process.

It was then decided that a day before the next meeting (March 2011), a workshop was to be held with all NICF members, chaired by the IPA consultant who did the February 2009 training. The purpose of the workshop was for C3 and the IR Manager to update employee representatives on the progress concerning the NLT's involvement with the forum and bringing more issues to the forum for consultation, and to view a presentation on the preliminary results of my research.

At the workshop, C3 informed the representatives that 'gatekeepers' within the NLT (Human Capital Director, the Geography Director [C3], and the UK MD) have been assigned to make sure that the NICF is consulted if an issue comes up that falls in the 'consultation' category (according to the NICF constitution), and '*making sure they don't forget the NICF when making decisions*' (C3). (Observation notes)

After the presentation of the results, representatives identified ways to improve the process of consultation, namely addressing a flexibility issue. As they said, decisions that have an impact on the workforce are made regularly and in between NICF meetings, and sometimes there is not enough time to bring all of the representatives from all over the UK together. So they need to add some flexibility to the way the NICF works. More specifically, they suggested the formation of NICF sub-groups to deal with different issues (i.e. communications sub-group, performance sub-group). This way if an issue comes up and a formal NICF meeting is not scheduled (these are scheduled at least 4 months in advance), the relevant sub-group will be consulted.

### **March 2011 meeting - Renewed expectations...a glimpse of hope?**

Data used in this section are from the meeting's minutes and observation notes.

#### *The pre-meeting*

According to all of the employee representatives, the workshop had a positive impact on their perceptions about the forum and renewed their expectations about their involvement in decision-making.

ER4 chaired the meeting. As an action of good faith, all of the representatives agreed that they had talked enough about the discretionary day and should now let it go, and instead focus on the role of the forum as a whole. They also talked about the role of the sub-groups and agreed to prepare a draft during the meeting that was about to take place, which would identify the different themes that a sub-group can be assigned. (Observation notes)

### *The meeting*

This meeting was more vibrant than the last two; probably because it was the second most ‘consultative’ meeting after the August 2009 one. This is likely the reason that none of the representatives even turned on their laptops that morning. As shown in Table 8.7 below, with the exception of one, all items that are characterised as ‘consultative’ by the EU Directive were issues that the NICF was consulted on. ‘Reward’ was informative because the actual issue had to do with an update on minor tweaks on existing policies with no substantial impact on the workforce. (Observation notes)

**Table 7.7:** March 2011 agenda items

Meeting	Items	EUD	I	C
<b>March 2011 (Observed Meeting 5)</b>	Future Conduct of the NICF		√	√
	Junior recruits alignment		√	
	Performance Management	√	√	√
	Reward	√	√	
	Business Update		√	
	Inclusion and Diversity		√	
	Restructuring Initiatives Updates		√	
	Office space	√	√	√
	Mobile phones corporate offering		√	

**Source:** March 2011 meeting minutes

Upon discussion on the nature of the forum and its role going forward, C3 mentioned again that they need to ‘make sure NLT doesn’t forget to involve the forum’ and thinks the best way for that is the gatekeepers’ (UK MD, the Human Capital Director and C3) commitment to their role (observation notes). There was agreement that, while the agenda call is designed to update the forum on hot topics or upcoming issues, in the future, representatives should have more input into the agenda, and management should attempt to fix agenda items earlier. In terms of flexibility, they agreed on ad-hoc meetings at the relevant point in time (minutes of meeting).

Representatives stated that they should be told before the meeting whether management was presenting 'information only' issues to the forum or consulting with the forum to help shape the outcome. They also asked about identifying other groups to potentially talk about what the NICF does, and C3 replied that he is open to engaging with other networks but that it is up to the forum members to provide a steer and he will help to try and remove any barriers to doing that. It was agreed that it would be appropriate to form a 'comms-subgroup' to help with communication with other networks within the company (minutes of meeting).

C3 concluded by saying that he will make sure to acknowledge the forum's role in decision making where possible. However, he did not clarify how and what exactly that 'where' would be.

Almost two years after its initial appearance in the agenda, 'performance management' was now a consultation item. For the last month before the meeting, NICF members were looking at issues with the Senior Performance Manager to keep ideas flowing and implement workable solutions, especially by ensuring the right messages are going out to employees and that the guiding principles are followed in the decision-making process (observation notes and minutes of meeting).

During the 'Reward' item presentation, the HR Senior Manager in charge of Reward who was present, offered to provide information to the 'Performance and Reward subgroup'. The representatives agreed that this would be beneficial and commented that, since reward communications are read by employees, it would also be beneficial to be involved in the communications design. Managers agreed. (Observation notes and minutes of meeting)

The 'Office space' item was the last consultative item in the agenda. The discussion was around office usage and property plans for the future, and the various property options the company is considering. C3 suggested that representatives get advice from the managers responsible on how desk management is managed in other areas, and ask for perspectives from the representatives through a subgroup.

The meeting concluded in a positive and optimistic atmosphere. Employee representatives had renewed hopes about their involvement in decision-making at an earlier stage and expected that this would lead to a more '*effective and value-adding consultative forum*' (ER4). (Observation notes)

## **ANALYSIS**

Dietz and Fortin (2007) suggest that trust and justice provide a comprehensive framework to investigate the relationships between the members of a JCC, and can explain the JCC's progress over time. This section will explore this assumption.

Throughout the analysis, the focus is only on the relationships between the participants of the NICF and not the relationship between the forum and non-participant managers and employees. However, it was essential to include in my analysis the company's National Leadership Team (NLT) as well and their relationships with the NICF, as it is the NLT's decisions that have the biggest impacts in the NICF and to the participants' perceptions of trust and justice within the NICF. As it will be shown in the next section many of the employee representatives' quotes when talking about the NICF were targeted not only on the role of the management representatives but also the NLT.

First we examine the role of trust throughout the NICF's existence, followed by an analysis of the role of justice. This section concludes with some general remarks and implications for the forum.

## **TRUST**

This section provides an analysis of evidence of trustworthiness and trust levels at every stage of the NICF's operation.

### **Pre-voice history**

Judgements of trustworthiness formed in this stage will be highly influential in the early stages of the 'new' NICF (Dietz and Fortin, 2007). For Consult (UK) there was never a reason to create an information and consultation forum, as it was not in the culture of the company to consult employees about decisions in a collective way. Two MR quotes illustrate this well:

*'The fact that it [NICF] was weak and not well publicised meant that there wasn't much of a collective voice within the company. In terms of actually having that key collective voice at the centre I think it was too quiet.'* (MR4)

*'How much do we really want to consult with our people before we make decision? Consult (UK) by default is more of an organisation that tends to move very quickly. So we don't have a natural way of making decisions that lends itself to the participation of the forum or the Employee Supporter Network or anything else for that matter, it's not naturally baked into how we do things.'* (MR2)

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The initial trigger for the creation of the NICF was management-driven, but that was more to be ahead of the EU's Information and Consultation Directive (about to come into effect in the UK in 2005), than actual willingness to create a consultation forum. All the manager representatives that were interviewed (n=4) said that the primary reason for the creation of the forum was the European Legislation. This is illustrated in the following quotes:

*'We knew the legislation was coming, so some of it was about just trying to pre-empt the legislation and make sure we did the right thing.'* (MR2)

*'It fulfils a potential legislative obligation in that if we didn't have one somebody could ask for one to be set up.'* (MR4)

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Therefore, the initial decision to create the NICF was more a defensive tactic towards the Regulation rather than a benevolent desire to consult with employees.

Where benevolence can be observed is in the decision from management to hire a specialist to revamp the forum. This indicates that management were concerned about employee representatives' complaints and took action. We can observe in this case a demonstration of concern about the other party's needs. Employee representatives needed the forum to improve and management reacted to those concerns by hiring the IR manager and assigning her the responsibility to revamp the forum. By doing this, management provided observable commitment to the forum and probably enhanced perceived trustworthiness. Choosing not to do anything about it might have confirmed any scepticism employee representatives held about management trustworthiness (Dietz and Fortin, 2007).

What also impacted positively in the formation of initial trust, by creating a positive trust pre-disposition to the forum for the representatives that participated, was the redundancy consultation exercise. All employee and management representatives (n=17), and also the UK MD, talked positively about the big impact the redundancy consultation had on the forum.

From a management perspective, it was a demonstration to management that employee representatives have the ability and skills to do a good job in the forum;

*'I think that gave both the management but also the employee representative side a clearer view of each other's roles and the benefits that each could offer or the kind of interests that each were representing.'* (MR1)

*'With the redundancy consultation came the realisation among senior management that employee consultation did add value because they suggested voluntary redundancy and things like that, which is something that Consult (UK) is opposed to normally, but management were talked into offering a good package and offering it on a voluntary basis.'* (MR4)

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From an employee perspective, the fact that management listened to the employee representatives' proposals and took them on board showed managerial benevolence and also 'sharing and delegation of control'.

*'We probably couldn't have picked anything better to prove to the management team what it was that we did and what we could do and how powerful we could be.'* (ER1)

*'The redundancy process where some of us were involved in had a beneficial impact to the forum because it showed everyone what a positive impact we can make and I think that helped show us what we could do, that helped to turn the tide into really making us a consultation forum.'* (ER11)

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Furthermore, the above quotes indicate that the redundancy consultation sparked a cycle of apparent managerial benevolence, which allowed employee representatives to express their opinions and ultimately reach a mutual decision.

The success of the redundancy consultation exercise gave a 'taste' to employee representatives of how the revamped NICF could operate. The exercise was completed 3 months before the 'new' forum's first meeting and 2 months before the elections for new representatives. Its success led employees who participated in the consultation to run for the NICF elections. The following quote is an example of the positive expectations the exercise created about the consultative role of the 'new' forum in the decision-making process:

*'After the value that was added with the employee consultation, I think most people recognised that this is a vehicle that can be used by management as a sounding board to get ideas back and contribute to decision making process and then the employees themselves understood that actually here's a group of people that can help advance our concerns and see about our interests.'* (ER3)

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In sum, although the creation of the forum in 2005 was seen by management as a legal requirement to be in line with the EUD (perhaps a 'defensive' tactic), the decision to revamp the forum in 2008 was a benevolent act. Adding to that, the consultation exercise created high positive expectations, on both sides, about the value of consulting with the forum. Employee representatives demonstrated ability and management demonstrated benevolence and a willingness to share and delegate control and a positive mutually beneficial outcome was reached. However, a risk lies here; if those positive expectations are not met in the future, this can lead to disappointment and perceptions of ineffectiveness as participants

realise that the forum is not fulfilling the role they initially thought it would (Dietz and Fortin, 2007). As it will be shown in later sections, this is what actually happened.

## **Design**

McKnight et al (1998: 479) suggest that *'believing that a situation is bounded by safeguards enables one to believe that the individuals in the situation are trustworthy'*. Dietz and Fortin (2007: 1167) name these safeguards 'protocols', which in our case are the institutionalised formal constitution and the code of conduct.

Since the forum's code of conduct was something employee representatives put together, it shows their benevolent intentions and integrity to management and enhances management's perceived trustworthiness.

*'I think a lot of the reason why the forum has gained a greater voice, if I put it that way, is because the element of trust is there. So the fact is that the representatives suggested the code of conduct, they initiated that, that wasn't a management imposed piece.'* (MR1)

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However, the constitution will have been the first source the representatives will rely on to form their initial expectations about the purpose and role of the forum. It was rather weak as it only provides a general description of the information and consultation issues the NICF can discuss, and contributes to a lack of clarity for both employee and management representatives (and also the NLT as it does not set clear and shared expectations). It is a weakness that does not help in building trust, as a mismatch of expectations about the role of the forum may be formed between management and employee representatives and NLT.

A key factor in the perceived trustworthiness of the forum is the representativeness of its delegates and the participation of senior management as it enhances credibility and indicates integrity (in terms of representativeness) and benevolence (in terms of senior management participation). The NICF covers representativeness very well, since it involves all workforces nationwide and the number of delegates for every workforce corresponds to the size of each workforce. Additionally, the NCIF is always chaired by a member of the NLT and almost all presenters in the forum are senior managers.

The fact that employee representatives are given sufficient time off from their normal duties to attend to their NICF duties can be considered as a sign of managerial benevolence – though a weak one, as such provisions are expected to be given to employee representatives.

An indication of managerial benevolence and integrity would be an agenda that covers all issues relevant to employees, including both informational and consultative items. However, the impression created by the analysis of the agenda and the ER comments is that the NICF's agenda mostly covers the former but hardly ever the latter (see also the section about the progress of the forum in subsequent meetings).

In sum, NICF's design is fairly standard, providing general details about the role and scope of the forum. However, this is also a weakness as it fails to set clear and shared expectations about its purpose. As will be shown in later sections, this lack of clarity led to an expectation mismatch, and proved detrimental to participants' perceptions of the NICF effectiveness.

## **Preparations**

Preparations for the first meeting (training, 'getting-to-know-you' sessions, etc.) are also important (Dietz and Fortin, 2007), in this case by contributing to the already positive history between most of the members of the forum.

By providing training, the company demonstrated benevolence and in turn gave management confidence about the ability of the employee representatives since the purpose of the training was to create and enhance the necessary skills to make a capable employee rep. Employee representatives recognised this, stating that it is *'fantastic that Consult (UK) as a company is prepared to invest time and money in getting us training in that side of things'* (ER1); *'I am impressed actually by the firm's investment in that'* (ER10). All of them (n=13) had only positive comments to make about training:

*'It was good and there were some really good examples of how a forum can benefit not just the employees but the business as well and it can even help the business to put out the difficult messages.'* (ER11)

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Training also creates expectations as to how the forum should work, including the consultative character of it. Here lies another risk. If those expectations are not met, it will lead to doubts about the effectiveness of the forum and perceptions of low trust towards it (Dietz and Fortin, 2007). Training

presented a certain role for the forum (options-based consultation), which employee representatives believed in, but this rarely happened, creating a mismatch of expectations. Furthermore, the fact that managers involved with the forum did not get training created a further mismatch of acquired information about the purpose and role of the forum. Employees were presented with information on how information and consultation forums work, but managers did not get the same information, and employees felt that this was a problem:

*'I feel is definitely a problem, they need to understand, I mean OK we have come to terms from the training and then the way we believe things ought to operate is based in large part on the training.'* (ER5)

*'I think we all felt that it would have been better had there been leadership there, you know, it's also important that they understand the same things that we do.'* (ER12)

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In sum, for the employee representatives, training contributed to the already positive expectations created in previous stages. In their eyes, it was confirmed by training that the purpose of the forum would be a consultative one. Therefore, this is what they expected to happen during the forum's operation. However, as will be shown in later sections, these expectations were not met, damaging perceptions of trust and the forum's effectiveness.

### **First meeting**

While history, design and preparation serve as sources of trustworthiness (mainly concerning management's motives and building expectations about the forum) it is the actual first meeting of the revamped forum that will set the climate for what is to follow (Dietz and Fortin, 2007) as it is the first ever interaction among all NICF members. It is at this stage that most gather initial direct evidence about the other party's trustworthiness, as here the design of the forum is put into effect and delegates have their first experience of it.

Although there were no consultation items in the first meeting's agenda, there were highly confidential information items from the UK MD (current business situation and growth, strategic changes worldwide, financial challenges, forecasts, etc.) which is an indication of managerial integrity and an indication of his trust in the employee representatives:

*'The way in which the UK MD interacted with us was interesting, because he seemed much more chatty, open, friendly than I was expecting and he took questions and he was very open, which was positive. I didn't expect it.'* (ER10)

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*'There were relevant questions and the questions tended to be answered. You know, quite honestly with giving us information that isn't publicly available. So there is appreciation from the forum members for that openness.'* (ER7)

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## **Subsequent meetings**

The first meeting set the tone for future meetings and created high expectations for the effectiveness of the forum and its trustworthiness. Now the momentum needs to be sustained through to the subsequent meetings (Dietz and Fortin, 2007). It is at this stage that delegates started forming a clearer view and where their expectations will either be realised or disappointed.

In subsequent meetings, the highly confidential character of the information sharing remained, suggestive of managerial benevolence and integrity. At the same time, there were never any information leaks from employee representatives, which was something that management appreciated and that demonstrated integrity and ability from employee representatives, as MR1 points out:

*'The fact that if certain information is communicated having indicated that that is confidential, the expectation around that table is that it is confidential and to date that has not been violated.'*

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The major disappointment came from employee representatives about their usefulness and not from management. Failing to consult on a number of issues - for example, the discretionary holiday decision and performance management, even when there were plenty of opportunities to do so - had a negative impact on managerial integrity and behavioural consistency.

While it is a general assumption (though not clearly defined) that the forum should be consulted on issues that impact the workforce, that did not always happen. There was consultation about the redundancy decision (a legal obligation) and on-going consultation about paternity leave, but there was no consultation about the desk-booking scheme, moving out of offices, performance management and the discretionary holiday. This lack of consistency in terms of consultation demonstrates lack of integrity. All but one of the interviewees, when asked if they had doubts about the forum, said yes and linked their answers to lack of consultation:

*'They will want to use us for where it feels right, the question is where does it feel right to management as opposed to where it feels right to for us, and we'd probably think there are more things that feel right for us whereas the management may think there's some things they still wouldn't want us to necessarily be involved with.'* (ER1)

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Employee representatives could no longer predict which items would come to the forum for consultation thus lowering their perceived levels of trust to management.

An example of this is ER4's description of management's interactions with the forum concerning the desk booking and office move. To most of the employee representatives (n=9) it was clear that management withheld the actual reasons (moving out of one of the company's office spaces) for the desk booking decision and never consulted for either of those two decision. Management did not take the risk of revealing highly confidential information to the forum and did not take the risk of consulting before they decided to close down an office, which is a sign of low trust towards employee representatives. At the same time, from an employee representative perspective this inconsistent managerial behaviour, the first since the forum was revamped, affected negatively the trustworthiness of management, in terms of integrity (honesty). This is evident in the ER4's quote below:

*'The fact that they hadn't been completely clear with us made it awkward and having had the conversation about desk booking which was the little thing and how we communicate it to then not say we're going to be moving out of Office X and not consulting with the group about that beforehand and just go "ah we're moving out of Office X" and leaving it up to us to work out that's why we were desk booking didn't make any sense.'* (ER4)

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The removal of the discretionary day is another prominent example of the general unwillingness of management to consult with the forum and is suggestive of management's unwillingness to involve employee representatives (lack of sharing and delegation of control):

*'That [the removal of the discretionary day] to me was an example of, we're about to do something, which will directly impact employee engagement, we're telling you just enough in advance so you know it before it gets sent out but with not enough time to actually properly consult on this and also we're not going to change our minds.'* (ER1)

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### **The employee representatives' perspective: August 2009 - March 2011**

The expectation mismatch created in the early stages became more obvious and affected the effective operation of the forum, creating disappointment and frustration on the employee side:

*'I think it makes it kind of farcical organisation because what's the point of having the forum if the Board or the management team aren't going to utilise it or just select those things that they think they'll get an easy ride on perhaps. For me it questions the value of the forum.'* (ER13)

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*Interviewer: Was there a time that you had doubts about the effectiveness of the forum?*

*ER7: yes, I still doubt its effectiveness.*

*Interviewer: why is that?*

*ER7: because so many decisions are made without reference to it that they could be made with reference to it.'*

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This disappointment with lack of consultation is reflected in the responses from the survey's open-ended questions. For the open-ended question, 'Please tell us what you like and appreciate about this committee, and how it is working', after the August 2009 meeting, six out of the ten participants referred to the '*fair, open and honest communication between parties*' (integrity) and an employee rep identified '*the trust that management have in the committee in disclosing confidential information*'. After the November 2009 meeting, comments about management's honesty and openness dropped to two out of a total of 12 responses; the rest were focused on the employee representatives' ability and dedication to the forum. Additionally, representatives that suggested earlier consultation before a decision is made in the question, 'Please tell us what you think could be improved about this committee, and how it is working?' rose from four in August 2009 to nine in November 2009.

Some of the employee representatives' responses:

*'I find it frustrating when areas are discussed without us and an outcome is decided when they have not consulted us on this.'* (ER8)

*'I feel that these meetings are not being used correctly by the business in that almost all items being discussed are presented as a fait accompli and we are not engaged in the decision making process.'* (ER11)

*'More genuine consultation from the earlier stages of decision making; NICF discussion should be a basic mandatory step in the development of any people-affecting decisions.'* (ER7)

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In April 2010 consultation before a decision is made was still a big issue, as seven out of the 12 mentioned it again when they answered the 'Please tell us what you think could be improved about this committee' question.

In September 2010, there is a small improvement in terms of trust for both employees and management and we also see here more respondents having good comments about the employee representatives (4):

*'I like the trust built up between the employee representatives and the free and easy dialogue between us.'* (ER11)

*'Committee members are good-natured and constructive.'* (MR4)

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However it seems that the 'performance management' and 'Discretionary day' items had a bigger influence on representatives' perceptions. Out of the 12 responses in the 'improvements' question, 10 were about consultation, with five of them about the timing of consultation, and the other five about clarity around consultation remit:

*'Opportunity to participate in consultation on how to achieve an objective rather than just comment on plans that have already been decided.'* (ER7)

*'Continued need for terms of reference agreed at a senior leadership level to give agreed remit to the forum and recognise the value it brings.'* (ER1)

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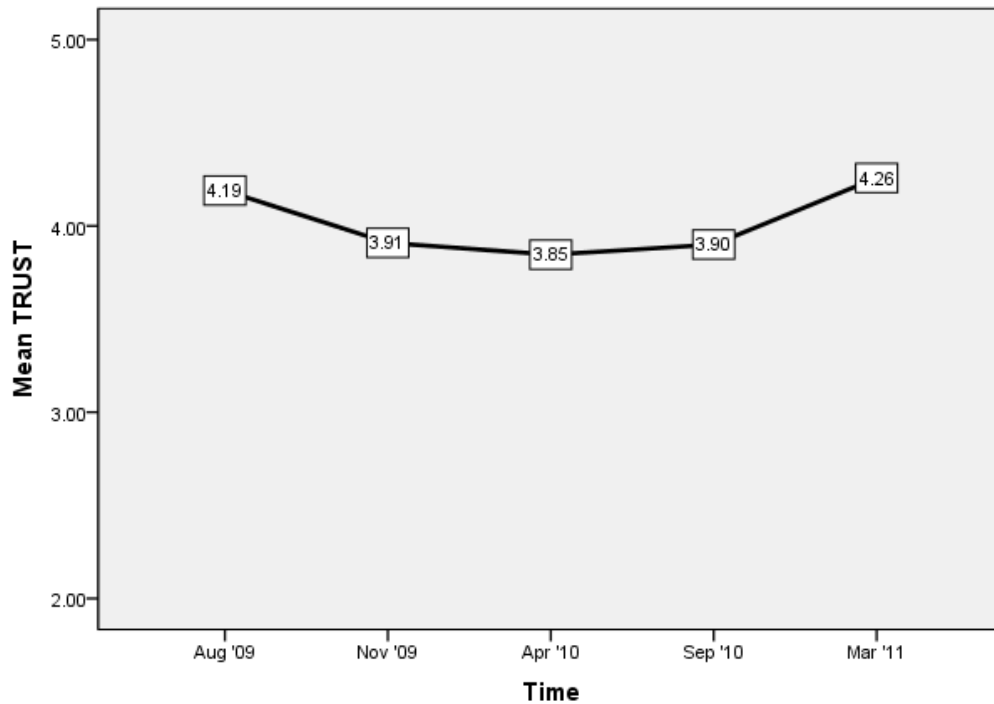
At the last meeting (March 2011), another increase in trust is observed. Out of eight respondents, comments responding to the question 'Please tell us what you like and appreciate about this committee, and how it is working' refer to the open and honest environment (n=2), the respectful and polite atmosphere (n=2); the employee representatives' ability (n=1); *'Effective and articulate representatives'* (MR4) and management's benevolence; *'a chair who wants to make things work'* (MR4), *'genuine desire from management to make it work'* (ER1); *'the level of "buy in" from the NICF chair with regards to option based consultation appears to be on the increase'* (ER11).

Nevertheless, consultation before a decision is made remains an issue of improvement as respondents still refer to it. Four out of five participants who answered the 'improvements' question, asked for *'more consultative issues to the table in good time before decisions are made'* (MR4).

The figure below (Figure 7.2) shows the progress of employee representatives' willingness to trust their counterparts between August 2009 and March 2011. A slight drop can be observed from the August 2009 meeting till the September 2010 meeting but in general the levels remain high. Perceptions rise again, reaching the highest point for employee representatives in March 2011.



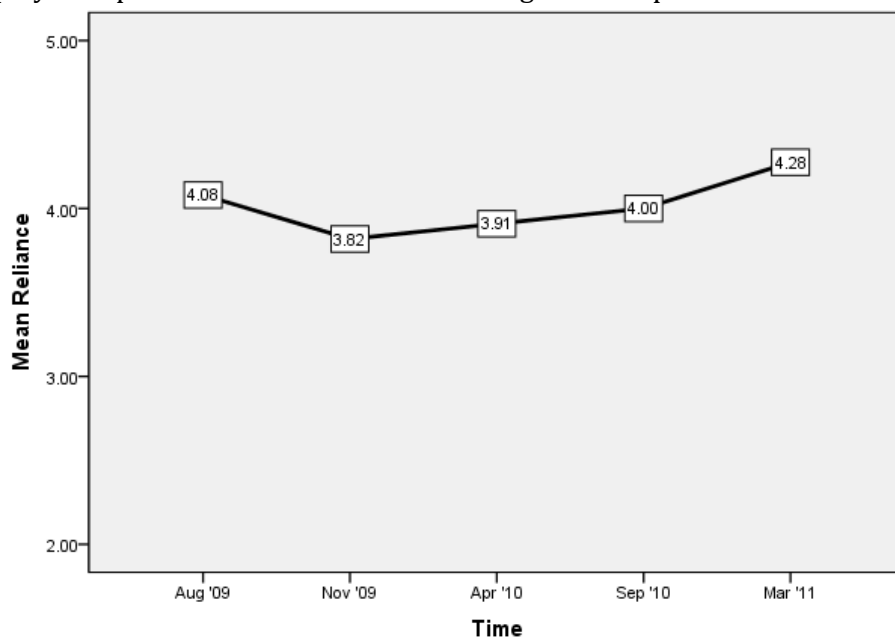
**Figure 7.2:** Employee Representatives' trust in Management Representatives over time



*1=Not at all willing; 2=Not very willing; 3=Somewhat unwilling; 4=Willing; 5=Completely willing*

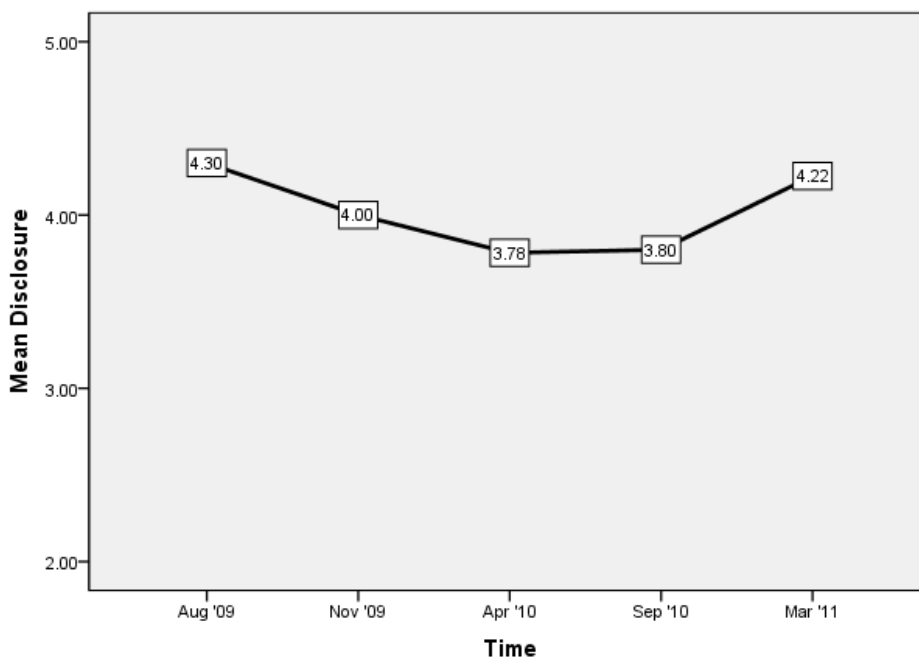
A breakdown of trust into the two elements of the scale used reveals similar patterns. Figure 7.3 shows the progress of employee representatives' willingness to rely on their counterparts and Figure 7.4 shows how willing they are to disclose work-related or personal information of a sensitive nature to their counterparts.

**Figure.7.3:** Employee Representatives' Reliance on Management Representatives over time



*1=Not at all willing; 2=Not very willing; 3=Somewhat unwilling; 4=Willing; 5=Completely willing*

**Figure 7.4:** Employee Representatives' Disclosure in Management Representatives over time



1=Not at all willing; 2=Not very willing; 3=Somewhat unwilling; 4=Willing; 5=Completely willing

Although a slight drop can be observed for some of the meetings, this is not significant nor is trust low; willingness to trust is constantly around the 'willing' point. Since the scale for trust (and its two elements) is focused on the willingness to trust their counterparts, this can be attributed to the extremely high trust employee representatives show towards the IR manager (MR4), and can probably balance the mediocre or low levels of trust towards the rest of the management representatives and/or the Chair. All employee interviewees (n=13) had only positive comments to make about the IR manager, especially her trustworthiness and commitment to the forum:

*'Personally I've got the confidence that I can certainly forward it through to MR4 and she can take it on from there.'* (ER11)

*'MR4 is really the driving force of these meetings, she structures things very well, her ability to facilitate is second to none, I think she's absolutely brilliant.'* (ER12)

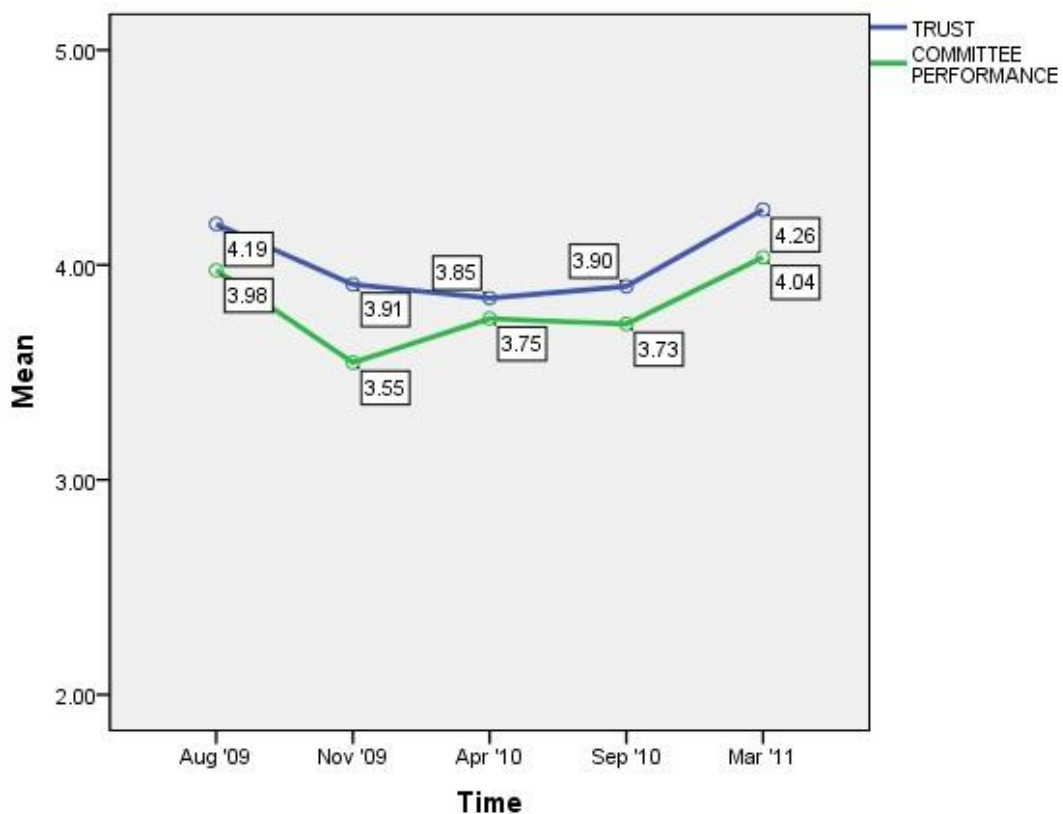
*'She seems open and honest and she'll reflect things into the meeting in a fair way so we have at least some sort of compromise on the top table let's say, on the management side.'* (ER6)

Another explanation can be that during the interviews, when employee representatives were talking about lack of consultation and involvement in decision-making (sharing and delegation of control), they

were targeting their comments to the firm’s senior decision-makers (the NLT) and not their management counterparts on the NICF. However, the graphs above reveal their perceptions about their management counterparts and not the NLT.

Figure 7.5 below shows a comparison of employee representatives’ level of trust and committee performance perceptions during fieldwork. Similar patterns can be observed here but again levels for both variables are consistently high. This is a contradiction to employee representatives’ interview comments, where they characterise the forum as a ‘talking shop’ and a ‘rubber-stamp’ exercise. An explanation for this could be that employee representatives are evaluating the performance of the committee in terms of what it is achieving regarding the actual agenda items, and not the issues that do not reach the forum. For example, an ‘information-only’ item that is on the agenda would be evaluated in terms of the quality of the discussion and contributions made. In a sense, ‘committee performance’ cannot capture weaknesses identified by representatives, such as lack of consultation, as that would be an issue that did not actually reach the committee as such.

**Figure 7.5:** Employee representatives’ perceptions of trust and the NICF’s performance over time.



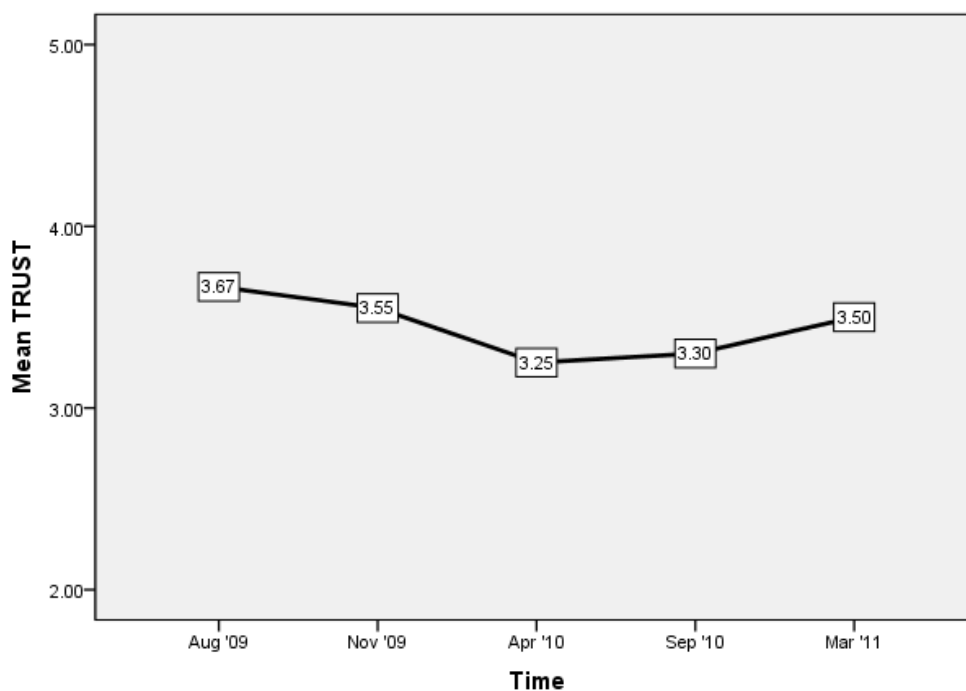
*Trust: 1=Not at all willing; 2=Not very willing; 3=Somewhat unwilling; 4=Willing; 5=Completely willing*

*Committee Performance: 1=Very low; 2= Low; 3=Acceptable; 4=High; 5=Very high*

## The management representatives' perspective: August 2009 – March 2011

Figure 7.6 below shows the progress of management representatives' willingness to trust employee representatives between August 2009 and March 2011. It can be observed that the levels of trust are fairly stable between points 3 (somewhat unwilling) and 4 (willing).

**Figure 7.6:** Management Representatives' trust in Employee Representatives over time



*1=Not at all willing; 2=Not very willing; 3=Somewhat unwilling; 4=Willing; 5=Completely willing*

From a management perspective, although the level of trust is lower than employee representatives (Figure 7.2), it cannot be characterised as low. In terms of trust an explanation can be that these questions were answered by management representatives and not the NLT – the people that decide whether or not to involve the NICF in decision-making. During the interviews, apart from C3, management representatives never expressed doubts about the employee representatives' trustworthiness. C3 on the other hand – given his negative experience – is more cautious. As he reports when asked whether he trusts the employee representatives:

*'Trust them with what is the question? I mean I'd trust them to stick to their role and the elements of the role about not disclosing things, which are confidential, I've got to assume they can do that otherwise the meeting is dead. Then I think another level of trust is actually, you know, could you trust someone to do something. They say they're going to do something but will they actually get it done?'*

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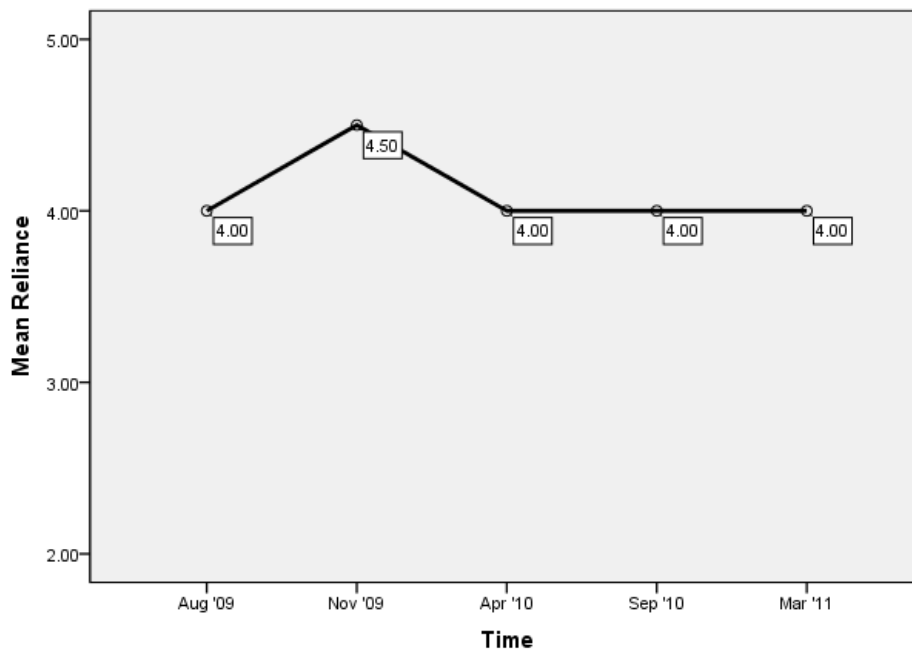
In addition, despite their questionnaire answers, the NLT's sustained reluctance to properly consult with the NICF is indicative of a failure to really trust the forum. A decision to consult with employee representatives entails a willingness to assume risk, which so far NLT and management are not doing. A possible explanation could be that they are not willing to share control of the decision with the employees, which is a weak excuse since even in the constitution it is mentioned that the responsibility of the decision lies with the company. The other reason is a lack of confidence in the employee representatives' abilities. As the forum's Chair (and member of the NLT) said:

*'I guess the question is, "what am I going to hear from them that I kind of don't already have a strong sense of?" There're actually relatively few examples I can think of currently where talking to the forum about a change or doing something differently, are they really going to surprise me?' (C3)*

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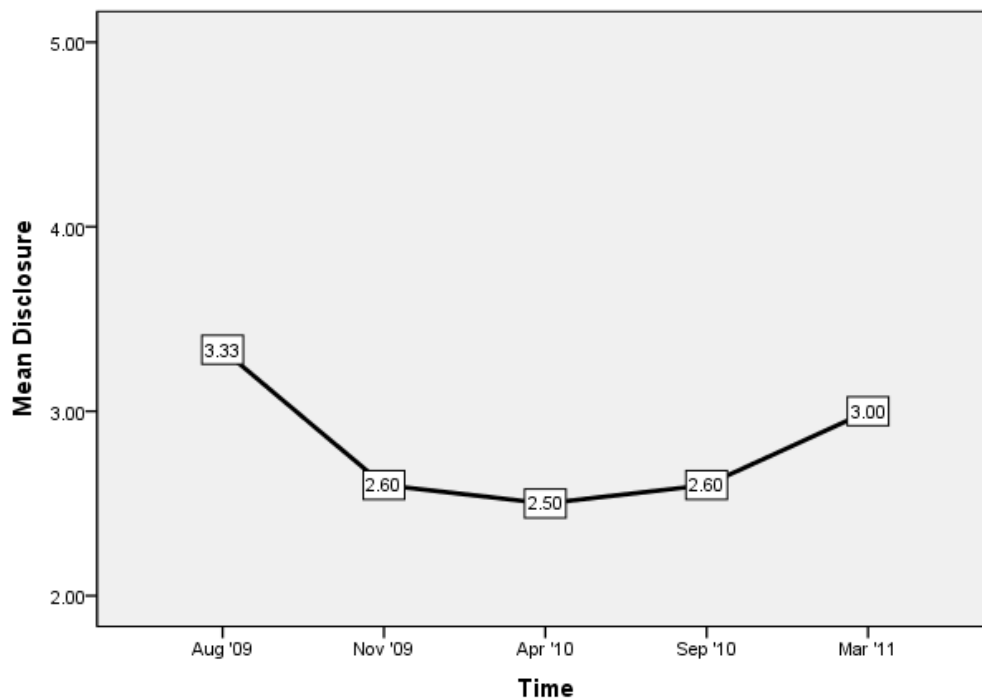
The breakdown of trust into the two elements of the scale reveals more; Figure 7.7 shows management representatives' reliance and Figure 7.8 their willingness to disclose information to employee representatives.

**Figure 7.7:** Management Representatives' Reliance on Employee Representatives over time



1=Not at all willing; 2=Not very willing; 3=Somewhat unwilling; 4=Willing; 5=Completely willing

**Figure 7.8:** Management Representatives' Disclosure in Employee Representatives over time

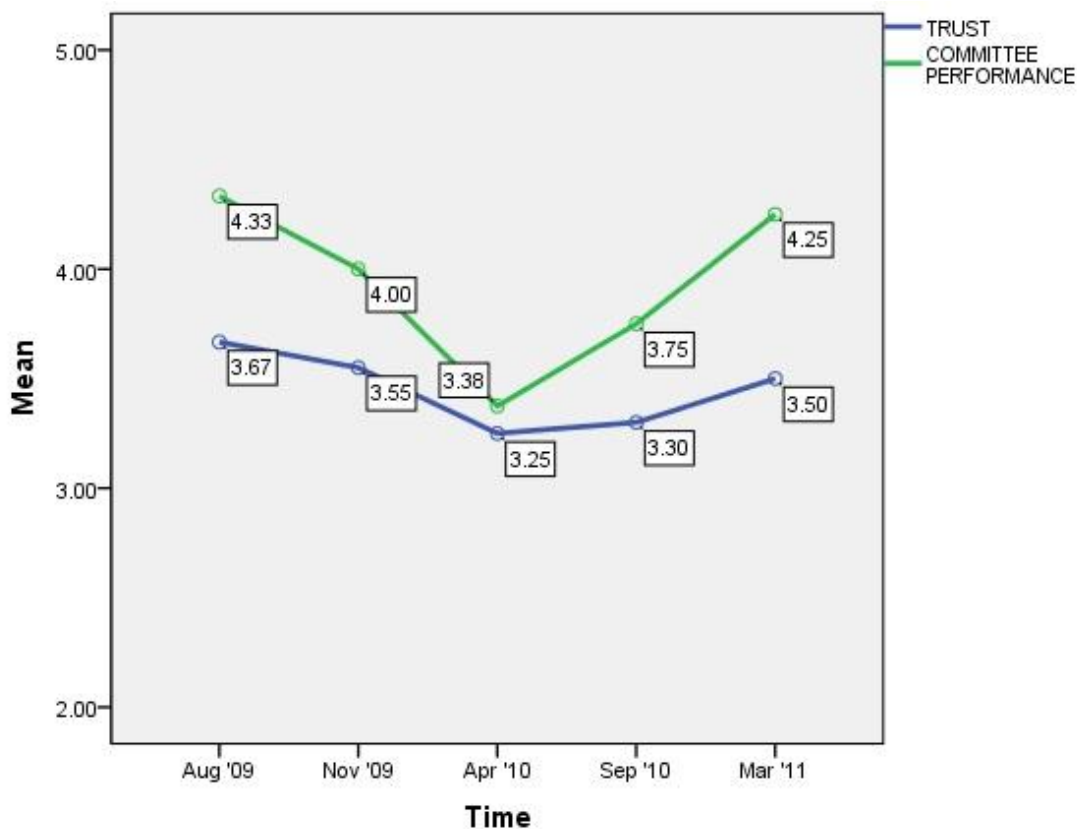


1=Not at all willing; 2=Not very willing; 3=Somewhat unwilling; 4=Willing; 5=Completely willing

Although 'reliance' remains high throughout the fieldwork period, 'disclosure', for the majority of the time is between point 2 (not very willing) and point 3 (somewhat unwilling), suggesting that management representatives' are unwilling to share work-related or personal information of a sensitive nature. This is even more surprising given the sensitive and highly confidential information the MD was willing to share during his business updates. An explanation for this might be that 'disclosure' is referring to sensitive information that could have personal negative consequences if leaked (i.e. 'how willing are you to discuss work-related problems or difficulties that could potentially be used to disadvantage you?'). According to Gillespie (2003), this level of disclosure requires an already established trusting relationship as this minimises vulnerability. In a newly-founded JCC with new members this level of trust might be difficult to achieve as it requires time for the relationship to develop. In a new relationship such as the one observed in the NICF at the time of the fieldwork, with few interactions (average three meetings per year) the development of high trust can be a lengthy process.

Figure 7.9 below shows a comparison of management's level of trust and committee performance perceptions during fieldwork. Similar patterns can be observed here but again levels for both variables are constantly high. This is not surprising. In a sense, management have no reason to be dissatisfied with the performance of the forum as it fulfils their expectations (a moderate and unthreatening, but not burdensome, information and communication mechanism). The slightly bigger drop that is observed in April 2010 can also be explained. This was an information-full meeting that probably offered no contribution to management. Additionally, in this meeting C3 expressed (later when I interviewed him) a disappointment with an apparent unwillingness from employee representatives to offer to gather feedback on a topic that he specifically requested them to; no one volunteered (observation notes).

**Figure 7.9:** Management representatives' perceptions of trust and the NICF's performance over time.



*Trust: 1=Not at all willing; 2=Not very willing; 3=Somewhat unwilling; 4=Willing; 5=Completely willing*

*Committee Performance: 1=Very low; 2= Low; 3=Acceptable; 4=High; 5=Very high*

## The Chair

A very influential and important role within the forum is that of Chairperson; especially within NICF. Since the Chair is also a member of NLT, the incumbent can either be a 'champion' of the forum, neutral to the process or a negative messenger to the NLT and even a saboteur, depending on his/her perceptions of the forum's trustworthiness.

From the data gathered (interviews, observation notes and open-ended survey responses), we can say that employee representatives had mixed feelings about C1, positive ones about C2, and mixed feelings about C3.

Seven out of thirteen employee representatives expressed complaints during their interviews about C1 and his 'abrupt' behaviour as they called it, and said that he did not show any real interest in the forum



and had concerns about him not being supportive of the forum. All these can be considered as evidence of low benevolence and demonstration of concern:

*'I think he was cutting things short, he was quite brusque so I felt that he hadn't understood my responses and was not prepared to allow the time to understand I think.'* (ER9)

*'I think there was a problem with C1 advocating the forum to the leadership team.'* (ER7)

*'Personally I felt that C1 didn't really value the forum. I think it added to the confusion really that we were going round and round in circles trying to find our place in the organisation and that was at times I felt that was blocked by C1.'* (ER13)

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The interaction of the group with C2 was limited to two meetings since he was only a replacement of C1 and his role was not permanent.

C3 is a rather interesting case in terms of trust. I interviewed him twice: the first time was after the first meeting he chaired in April 2010, and the second was right after the September 2010 meeting. Both times he identified clarity of role as the major problem of the forum, but, at the same time, in both interviews he expressed doubts about the employee representatives' ability to add value to the business through the forum:

*'I can see there will be elements working with the forum where you do need to get things done, you know, they're taking on responsibility to go and do something and I don't know yet how well all the different forum members can perform that way.'*

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The awkward interactions surrounding the debate on desk booking policy and explanations for it created, for him, a low trust relationship history, impacting negatively on his perceptions of the employee representatives' integrity, making C3 quite cautious towards the forum:

*'so, for me, there was a kind of actually I'm now going to be more cautious because you know, even something as simple as that, they kind of failed at the first hurdle, you know to keep my trust.'*

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Another indication of C3's low trust towards the employee representatives is the fact that he does not believe the views that they express in the meetings are the views of their constituents, and not exclusively their own, which implies low trust in their motives, general benevolence and ability:

*'So there is a part of me that thinks, actually, are these really, they are elected representatives, but how much do they really represent the people, and how much are they expressing their own view, and then you kind of have to hope that their view is kind of representative of the people they're not talking to.'*

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From the employee representatives' side, their first impressions of C3 were positive in the majority of them, especially in terms of integrity and benevolence (n=12):

*'C3 also reasonably new coming to grips with the chair but I'm hearing all the right things from him in terms of him wanting to make sure that we as a forum are visible and being valuable but also being seen valuable.'* (ER1) – Benevolence.

*'again that he doesn't automatically toe the company line, that he's willing to listen and he's willing to make his views known if he thinks the way the company has gone on a certain thing is not right, so he's kind of balanced in that respect I think on those things. That's how he appears in the forum to me anyway.'* (ER13) – Integrity.

---

Additionally, seven out of 12 participants referred to the open and honest behaviour (integrity) of C3 when they answered the 'Please tell us what you like and appreciate about this committee' question after the April 2010 meeting.

In September 2010, there are still comments in the survey about the openness of information sharing and the good behaviour of the chair, but they have dropped from the previous meeting (four and three respectively, out of 11 responses).

However, after the events in October 2010 with C3's discretionary holiday announcement, a shift in the employee representatives' beliefs about the effectiveness of the forum was observable. Their main concern (n=13) in the interviews was that they were not consulted before a decision was made, and their involvement was confined to providing feedback on the possible reaction of the workforce to the decisions and how to better communicate these decisions to the workforce. They had turned into a '*sounding board*' for management. Now all employee representatives reported low levels of trust in management, especially in terms of benevolence and integrity:

*'There is an attitude that the benefits of removing this day don't need to be articulated which further adds to the feeling that leadership doesn't trust the NICF to engage constructively on a discussion of the facts.'* (ER7) – Integrity.

*'The open and honest communication that it felt like we were building has been eroded by the management team's decision to communicate the loss of the discretionary day without concluding a proper consultation with the NICF – Integrity – A number of representatives, me included, feel that we have been ignored and/or misused – Benevolence – and this has led to a real feeling of lack of trust in the leadership and their relationship with the NICF.'* (ER1)

*'This was very disappointing and felt like a breach of our trust.'* (ER4)

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Unfortunately, there are no survey data to capture perceptions for this event as all of it happened in between meetings.

## **Summary**

The preceding section has presented data of the evolution of trust in the NICF at different stages of the process. Evidence (interviews and survey data) indicates that different levels of trust are the result of an expectation mismatch concerning consultation, which was formed at the early stages of the forum due to the positive experience from the redundancy consultation exercise and training.

NLT has not been willing to assume the necessary risks of consultation after the redundancy exercise, thus raising employee representatives' expectations but not quite meeting them at the end. At the moment delegates find themselves in a vicious circle. NLT wants more evidence of trustworthiness, and especially demonstration of ability to be willing to take that risk and consult with the forum more (according to C3's beliefs). However, from an employee perspective, every time leadership do not consult with them, perceptions of trustworthiness decrease. At the same time, if management do not take that risk then there is no way for employee representatives to demonstrate their ability and 'surprise' management with their suggestions.

Moreover, the observed managerial inconsistent behaviour around items of consultation created uncertainty among employee representatives. They could no longer predict whether management would consult with the forum or not. Uncertainty in turn hinders the development of trust.

As soon as management decided to address employee representatives' concerns about lack of consultation and consequent ineffectiveness of the forum (described as a 'talking shop', a 'tick in the box' by employee representatives), an increase in the willingness to trust is observed (March 2011 meeting).

## JUSTICE

In this section an analysis of evidence of perceived fairness or unfairness levels at every stage of the NICF's operation is provided.

### Pre-voice history

Information about decisions was not easy to access in Consult (UK) and communication was done at a very general level with companywide newsletters. The explanations, if any, that employees received about decisions that were made in the company were very general, especially for negative messages, and often contained little detail. From an informational perspective fairness perceptions were quite low:

*'There was certainly an initial reluctance to share particularly openly I think with employees across all levels. I think there was some definite scepticism from the employee side as to the way that management were making decisions, part of that was from not knowing, not being involved in it.'* (ER1)

*'Nobody knew whether they were being given the true breadth of information that was available to the organisation.'* (ER3)

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The creation of the forum in 2005 did not really change things in terms of perceived informational fairness probably because the forum was not working properly and its visibility to the workforce was very low, as ER3 suggests:

*'It just wasn't as highly publicised so you didn't know that you could contact these people, these representatives and put your views forward.'* (ER3)

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Procedurally and distributively, fairness perceptions were low amongst employee representatives, creating feelings of frustration and doubts about the effectiveness of the forum. As employee representatives point out, there was no consistency in terms of process and it felt like nothing was coming out of the meetings (outcomes):

*'You spent a lot of the meeting going back over what you might have, the discussion might've been beforehand and making small steps of progress towards trying to turn it into the group we wanted it to be. So that created a bunch of frustration because we were turning up thinking really why we're turning up to this meeting?'* (ER1) – DJ.

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*'Meetings without structured agenda or things where you're stuck on one issue and all of a sudden the day is gone before you realise it.'* (ER4) – PJ.

*'It kept being postponed, that was another thing that really annoyed them, it was postponed, postponed, postponed.'* (MR4) – PJ.

*'They [employee representatives] were quite vocal about the fact that they'd be working on one specific thing that they were really interested in for years and there were always promises that it was going to happen and it never did.'* (MR3) – DJ.

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What changed things in terms of fairness, more specifically procedural fairness, was the hiring of the IR manager. Employee representatives were then able to express their views and feelings about how things were working in the forum, and influence the outcomes:

*'What has changed is that we put together a pre-meeting call where we discuss the agenda. We also can feed in the agenda at any time and items will be put on there, based on discussions at previous meetings.'* (ER1)

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The redundancy consultation exercise also had an effect on the formation of positive fairness perceptions on all dimensions. Employee representatives who participated had a chance to experience a fair process, treatment, information sharing and ultimately outcome.

In terms of process, it was all based on accurate information. Employee representatives had the opportunity to express their views and feelings and ultimately influence the outcome that was reached by those procedures:

*'We helped with the round of redundancies, voluntary redundancy that leadership didn't want to have that initially but we managed to say that it would be a good option and it worked really successfully.'* (ER12) – PJ.

*'So the round of redundancies, the employee consultation was a good effort by the employees so they got things like voluntary redundancy, when the organisation wasn't even considering voluntary redundancy.'* (ER3) – PJ.

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All relevant information was available to the employee representatives in a timely manner, explanations about the process were given and all were communicated to the rest of the workforce throughout the whole process, demonstrating high levels of informational justice:

*'They communicated everything that happened to the employees in terms of discussions and meetings that were being held with the personnel, they communicated things like the rationale and as soon as that communication started to flow you could tell people started to become more at ease with it, they're at least getting constant stream of information.'* (ER3)

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Throughout the process, everything was done in a professional way and everyone treated each other with respect and courtesy. But what was really important in terms of fairness was the outcome of the whole process. Employee and management representatives were satisfied with it, and thought that it was the appropriate outcome, one that reflected both parties' contribution and work put into it:

*'It made such a big difference, it was a real watershed moment when that redundancy exercise was completed because people realised that the company did listen to employees and not only that but that employees had something valuable to add.'* (MR4) - DJ

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The redundancy round and the nature of that consultation created high expectations for employee representatives about the purpose of the forum, expectations that could be detrimental if they were not realised in the future.

## **Design**

The constitution's design is the first source of perceived procedural fairness. The details about the representativeness of the participants, the number of meetings a year, chairing of the meetings, the agenda setting and the confidentiality details all provide thorough information and explanations about the operation of the NICF, suggesting that this is going to be a forum with the potential for high procedural and informational justice.

The level of detail concerning NICF membership can be perceived as procedurally just. It demonstrates management's willingness to provide an opportunity for voice, through representation, to all workforces:

*'I think that the safeguards that we have in place means that everybody has a right to be able to speak and get their opinions across.'* (ER4)

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The fact that employee representatives have input into the design of the agenda and influence the items on it shows that they have a voice in the process, indicating again potentially high procedural justice. Having sufficient time to review the agenda items is a sign of high informational justice. The following quotes highlight this:

*'I feel I can certainly influence the forum itself in terms of the things that we talk about and the way in which we talk about them. Certainly we can influence the agenda and we can ask whatever questions that we like, we can ask challenging questions, so yes I think that's good.'* (ER10) – PJ.

*'Pre-call for the agenda, is a good idea. I think that's very important because at least they're setting out the agenda and they give us a chance to change the agenda, which is something I hadn't mentioned but it's obviously important.'* (ER2) – PJ.

*'They sent out the agenda well ahead of time, give us a chance to add things in.'* (ER11) – IFJ.

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Though it is the actual behaviour that will have a greater impact, the creation of the code of conduct and the behavioural standards that it sets provides the participants with evidence and sets high expectations of interpersonal justice in the meetings: *'when it's written down, it reinforces how people should behave'* (ER9).

However, as we saw earlier, a major weakness of the constitution is the lack of clarity of the purpose and role of the forum. Without providing thorough explanations and detailed information about items that the forum is required to be consulted on, it created doubts about the anticipated distributive justice of the forum:

*'It would be nice of them [leadership] to say, we've got this group and the things that we're going to run past this group are x, y and z. And that way if x is run past us and y is implemented without running it past us we can say well why weren't we consulted about it? Why when you said you were going to? Whereas at the moment they can almost sort of go, "oh well we didn't think that that was something that the group would be interested in". Here's the change and then we'll talk about it later.'* (ER4)

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Dealing with the clarity issue will lead to more relevant and more consultative items to be added in the agenda, which will then lead to better perceptions of procedural justice. This is because employee representatives, by managing the items that go on the agenda will have the opportunity to influence the outcome:

*'If you've got agenda items that's just information then you're not going to get any outcomes from this so it's managing what's on the agenda so that we're dealing with things on the agenda where we can achieve outcomes.'* (ER9)

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## **Preparations**

Training can be a source of informational justice evidence, in the sense that it can provide NICF members with the necessary information and explanations about how the forum should operate and the nature of their role in it. ER3 explains in the following quote how the training helped define and clarify the role of the NICF:

*'Well actually yeah this is what we should be doing, we should be challenging and understanding the rationale of the things and understanding the different option that management came up with so that we ourselves can have a better understanding.'* (ER3)

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However, it can create false expectations on distributive justice (Dietz and Fortin, 2007). The training presented option-based consultation as one major operation of the forum. Yet when this operation does not become a reality then it could be perceived as distributively unfair, which is something that happened in NICF.

## **First meeting**

Fairness perceptions formed by previous history, design and preparations of the forum will be highly influential in the representatives' decision to behave cooperatively within the NICF. Evidence of fair treatment in the first meeting will have a big impact on this decision. Since this is the first real interaction between the delegates, and information about the other party's trustworthiness is rather low, participants will rely on their fairness perceptions in deciding whether or not to cooperate. This will all happen during the first meeting with participants looking for interpersonal, informational and procedural evidence of fairness to promote cooperative behaviour. One of the first things participants will evaluate is the quality of conduct and treatment they get from the other participants. All of the interviewees (n=17) expressed their satisfaction with the first meeting in terms of treatment. Employee and management representatives behaved respectfully even during challenging issues:



*'But because the challenges are raised in a non-combative way, I think managers are finding it easier, senior executives are finding it easier to be honest and open and so there was a degree to which that openness is increasing, it started from that first meeting because the delegates behaved so well.'* (MR4)

*'You quickly realised that ok the way this forum operates 1) everyone's opinion's heard, everything is taken into consideration, when you give an opinion, that makes sense, they will actually take that on board and take actions to carry it forward.'* (ER3)

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Concerning treatment and interpersonal justice, all representatives, employees and management, said they were always treated with respect and the climate was always professional and friendly: 'very polite' (ER4), 'amiable, friendly' (ER4), 'I don't think there was any confrontation; I don't think there was any shouting or any unprofessional behaviour at all' (MR3). Even when things got a bit more challenging, there was never a point where someone misbehaved.

In terms of procedural justice, representatives also felt they had the chance to express their views and provide feedback on all items:

*'I thought it went really well and I think they were really pleased with the meeting and how it'd gone and the fact that they were inputting a lot to things.'* (MR3)

*'I thought February was pretty well structured; most people I think were able to get their feeling or anything that they wanted to out.'* (ER12)

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## **Subsequent meetings**

In subsequent meetings, while information sharing of highly confidential issues was maintained, along with interpersonal fairness, employee representatives' expectations mainly about procedural and distributive fairness were not realised in full. However, in this stage, Dietz and Fortin (2007) highlight the importance of achieving tangible outcomes.

Regarding items that come to the forum at a stage where the decision is made and all that is required from the employee representatives is feedback on how to communicate these decisions and items are purely informational, all was well. Employee representatives got the information in a timely manner, explanations are thorough and are considered honest in general, and employees are able to ask questions and express views. Information items (e.g. business update, restructuring) were consistently present in the agenda and all meetings were held in a respectful and polite manner:

*'If they're giving us an answer, it always feels like it's a thought out one which is for the right reasons and I think one of the things we get as a UK forum is a lot more information about options, so what options they've considered, which I think takes us straight to that understanding stage. So again, we may not agree with things but we can understand it, we know the process they've been through.'* (ER1)

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The agenda items were almost always too late in the process (after the decision was already made) for items that were perceived by employee representatives as consultative in nature. A very important outcome of the forum, and one that the employee representatives were expecting to get, was consultation before decision-making, and this is something that rarely happened.

Negative perceptions of procedural fairness were created when a decision was made that employee representatives considered they should be consulted on, and then they did not get a chance to express their views and feelings about it, nor influence it. It can also be considered as lack of consistency in terms of process when there are items, though rare, that they get consulted on and other items that they consider they should be consulted on and they are not.

*'They [management] came and talked to us about the process by which they arrived at it which was fine, interesting, all very fair, all very sensible but then we didn't discuss what the actual decisions are going to be, they simply announce them.'* (ER7)

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Items with no satisfactory explanations or information about decisions already made (desk-booking, discretionary holiday) had a negative impact on perceived informational justice (November 2009 meeting), which is something that matters greatly to all representatives:

*'If we as a UK forum, continue to challenge the company not only to make improvements, to decisions it may be making but also to better communicate the whys and wherefores and the options that it went through so that it can describe and allow people to understand what problem is that it's trying to solve as well as the solution, then I think that will, I see my engagement rise as a result of knowing that and I know full well that others' engagement will rise as a result of that.'* (ER1)

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Consultation itself, when it happens, is considered an outcome, an achievement of the forum. When consultation items do not reach the forum, then it can be considered as low distributive justice:

*'I think for the most part it's, when it comes to us it's almost a done deal, it's a rubber stamp exercise. They put out a long list of things that we achieved and I looked at it objectively and, maybe one or two things, the rest of them were things that yeah we said, they told us about it, and we said ok yeah and that was it.'* (ER5)

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After the incidents in October 2010 concerning the discretionary holiday, the level of informational, procedural and distributive fairness were rather low. Employee representatives did not receive satisfactory explanations, or have the opportunity to fully express their views, or influence the outcome, and to them it seemed as if the company disregarded their efforts on the subject. This is highlighted in the following quotes:

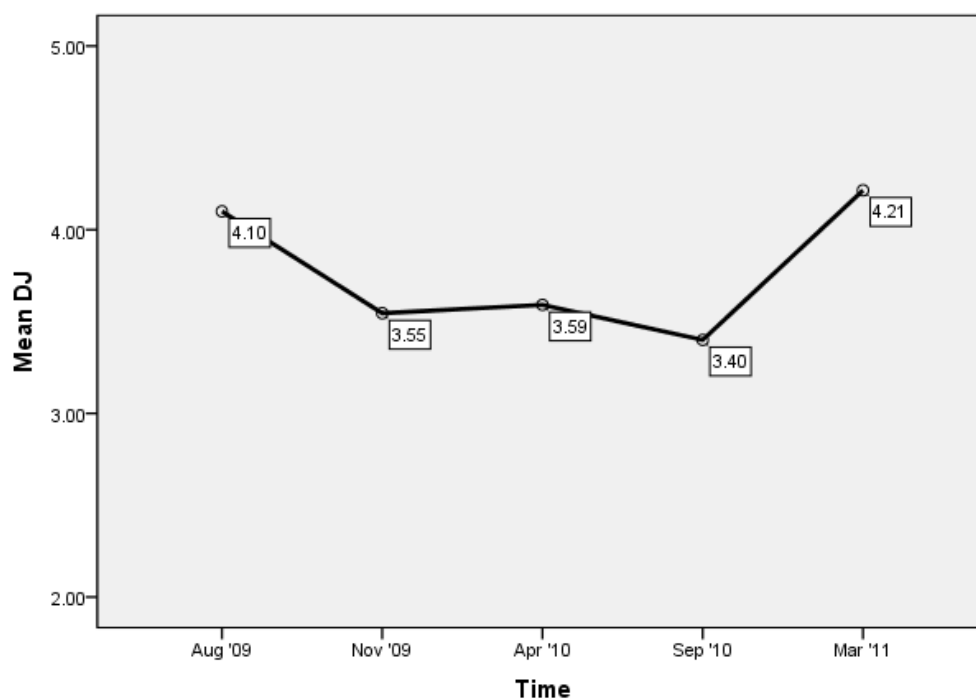
*'I accept the company's right to remove it and my perception of fairness would have been enhanced by an open conversation of what the business needed to achieve, what options existed for it, what the potential downsides of different options were and how these would be monitored and mitigated against if they were realised.'* (ER7) – IFJ.

*'I think the NICF feels it has been unfairly treated, given that we put forward a very thought out and considered opinion on the discretionary holiday – DJ – and yet we feel we have not been listened to or even considered in the final decision and communication – PJ –.'* (ER1)

### The employee representatives' perspective: August 2009 – March 2011

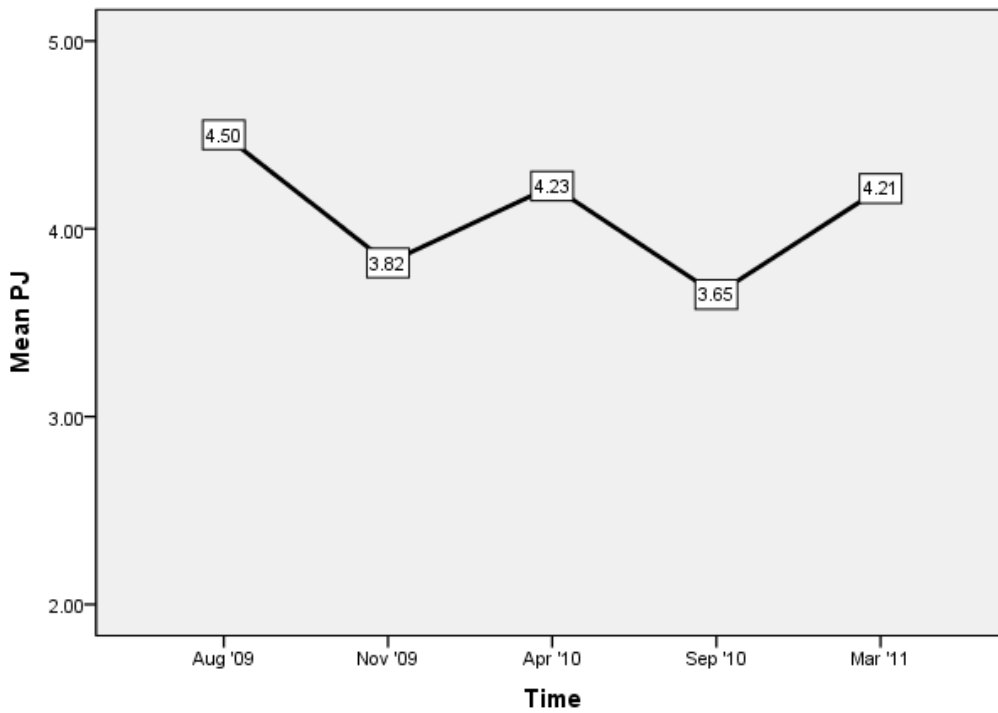
Figures 7.10 – 7.13 below show the employee representatives' perceptions of fairness for all dimensions from August 2009 (when fieldwork started and the first survey was distributed) until March 2011 (when fieldwork finished).

**Figure 7.10:** Employee representatives' perception of Distributive Justice (DJ) over time.



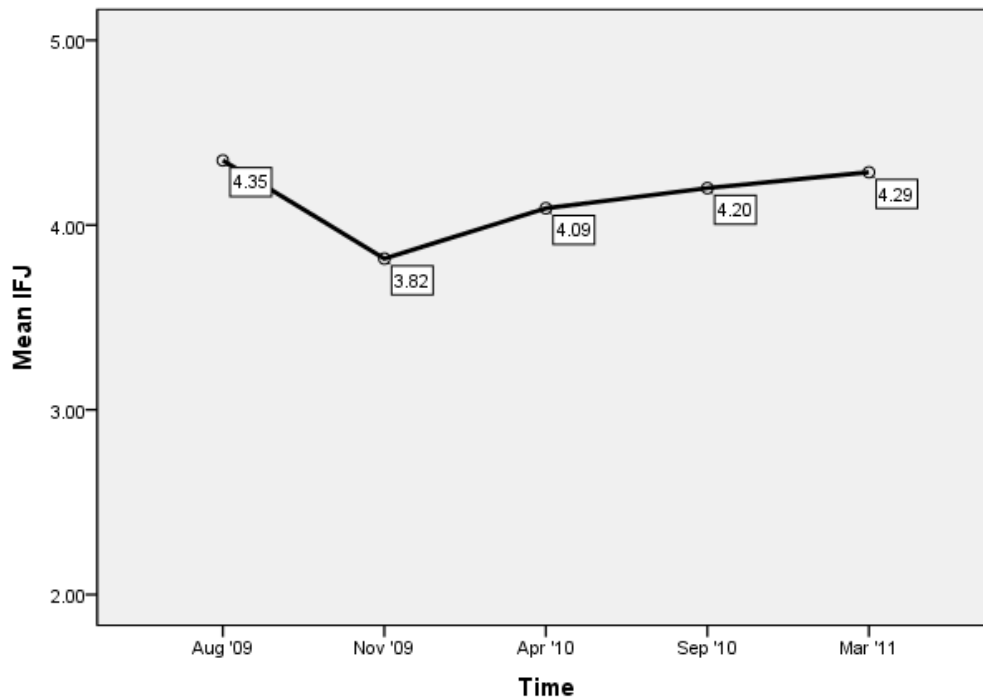
1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree

**Figure 7.11:** Employee representatives' perception of Procedural Justice (PJ) over time.



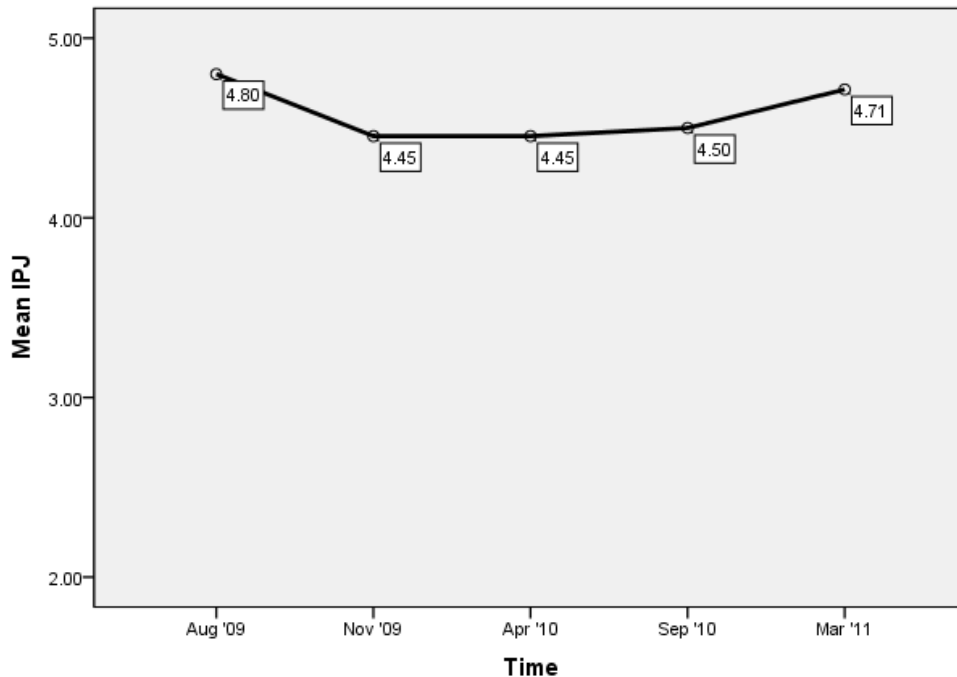
1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree

**Figure 7.12:** Employee representatives' perception of Informational Justice (IFJ) over time.



1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree

**Figure 7.13:** Employee representatives' perception of Interpersonal Justice (IPJ) over time.



1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree

After the August 2009 meeting, employee representatives' perceptions of fairness were high for all four dimensions, with the highest being IPJ, and the lowest DJ. This is possibly attributable to the four consultation items that were in the agenda for that meeting. This was the meeting with the most consultation items.

The November 2009 meeting is quite different. There is a significant drop in PJ, IFJ and DJ (0.682, 0.532 and 0.555 respectively), and a smaller drop in IPJ (0.345). An explanation for this could be the 'info-full' agenda with items on decisions already made that employees perceived as consultative issues, that they should have been consulted on according to the constitution, indicating inconsistency in the application of decision-making procedures. Furthermore, employee representatives did not have the chance to express their views during the decision-making process nor the chance to influence decisions, and were not satisfied with the explanations they got for those decisions. As mentioned previously, employee representatives consider consultation as an outcome, an achievement of the forum. Not being consulted is perceived as distributively unfair and that can be seen by the drop in DJ for this meeting.

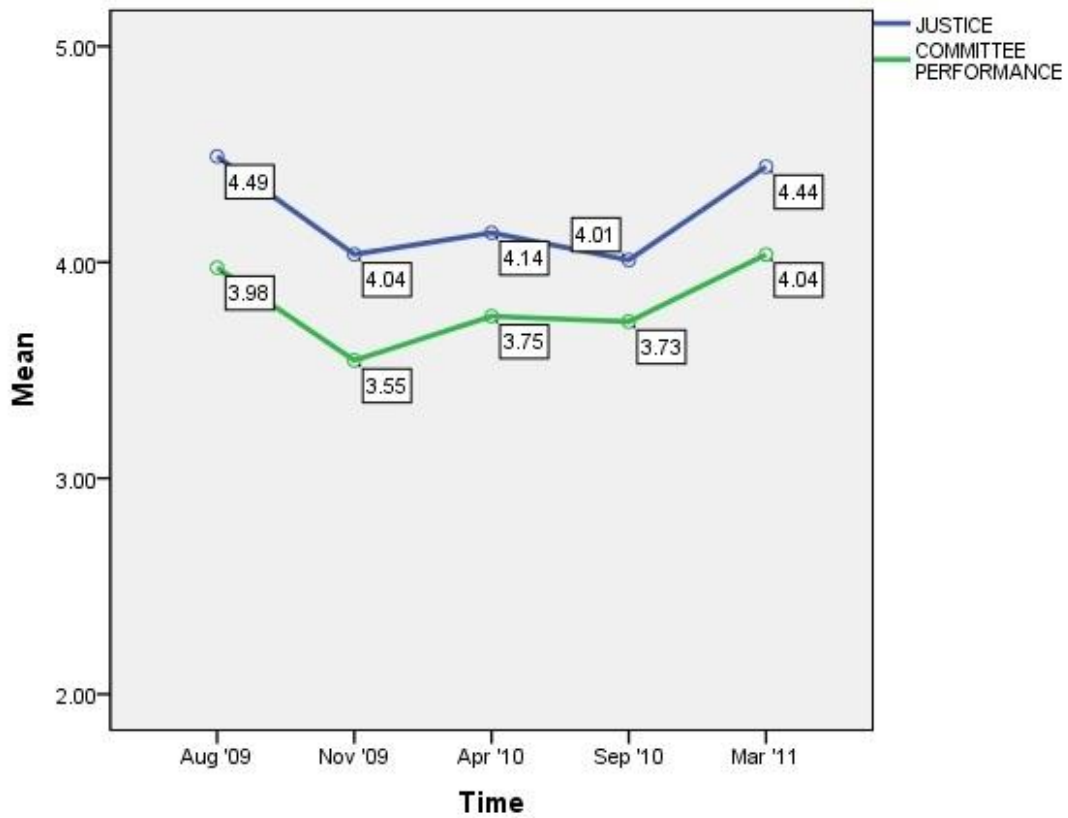
April 2010 is a rather interesting meeting in terms of survey responses. They show a marked improvement in all justice dimensions, especially PJ and IFJ – attributable, probably, to C3's behaviour rather than the agenda items.

In September 2010, perceptions of fairness are divided. PJ and DJ are decreasing, IFJ is increasing and IPJ is stable. Looking at the agenda items for that meeting we see that it was full of information items. The drop in PJ and DJ can be explained by the fact that 'performance management' is listed as an 'information-only' item, despite the fact the employee representatives had requested consultation on this item. The increase in IFJ is probably due to the level of information and explanations provided for each item.

March 2011 marks an improvement in all fairness perceptions. This meeting has the second biggest number of consultative items in the agenda, three in total, with two of them ('office space' and 'performance management') of great importance to the employee representatives, especially after being previously included in the agenda as information-only items. This indicates that employee representative were able to influence procedures and express their opinions, thus increasing PJ perceptions. They also got a distributively fair outcome (having those consultation items) since their efforts were finally recognised.

Figure 7.14 below shows a comparison of employee representatives' justice and committee performance perceptions during fieldwork. The similar patterns that can be observed here suggest a positive relationship between justice and committee performance perceptions.

**Figure 7.14:** Employee representatives' perceptions of overall justice and the NICF performance over time.

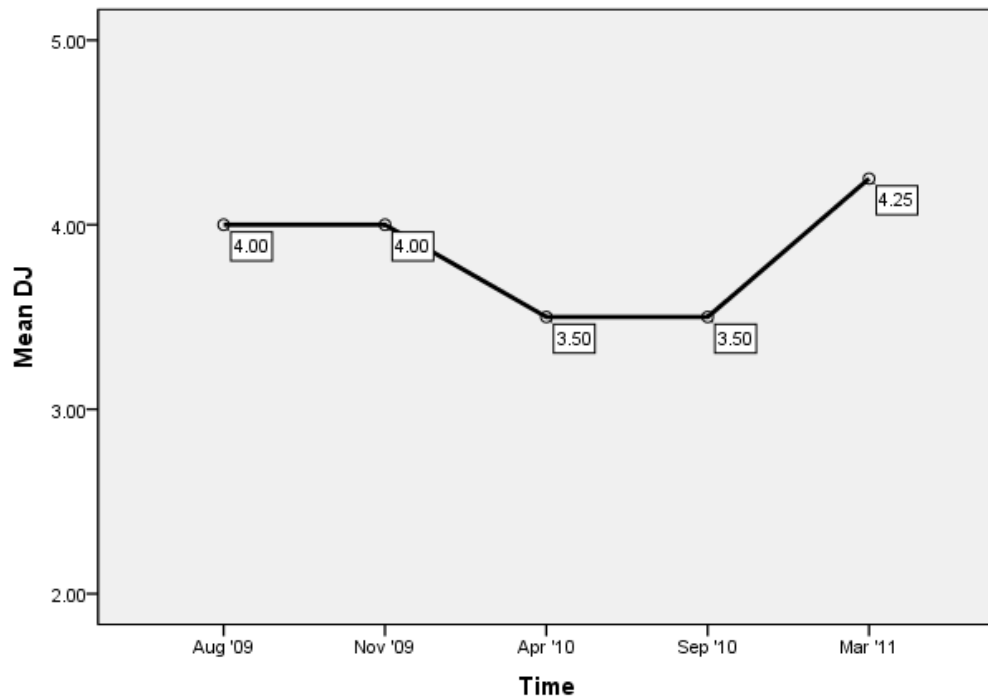


*Justice: 1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree*  
*Committee Performance: 1=Very low; 2= Low; 3=Acceptable; 4=High; 5=Very high*

**The management representatives' perspective: August 2009 – March 2011**

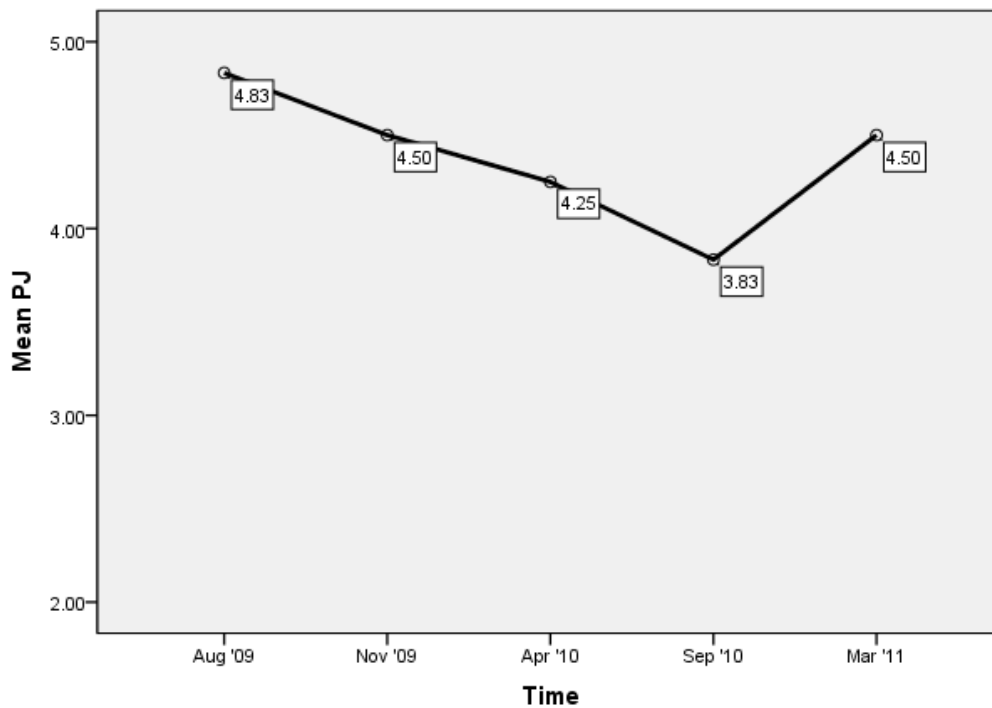
Figures 7.15 – 7.18 below illustrate management representatives' perceptions of fairness for all dimensions for the same period.

**Figure 7.15:** Management representatives' perceptions of Distributive Justice (DJ) over time.



1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree

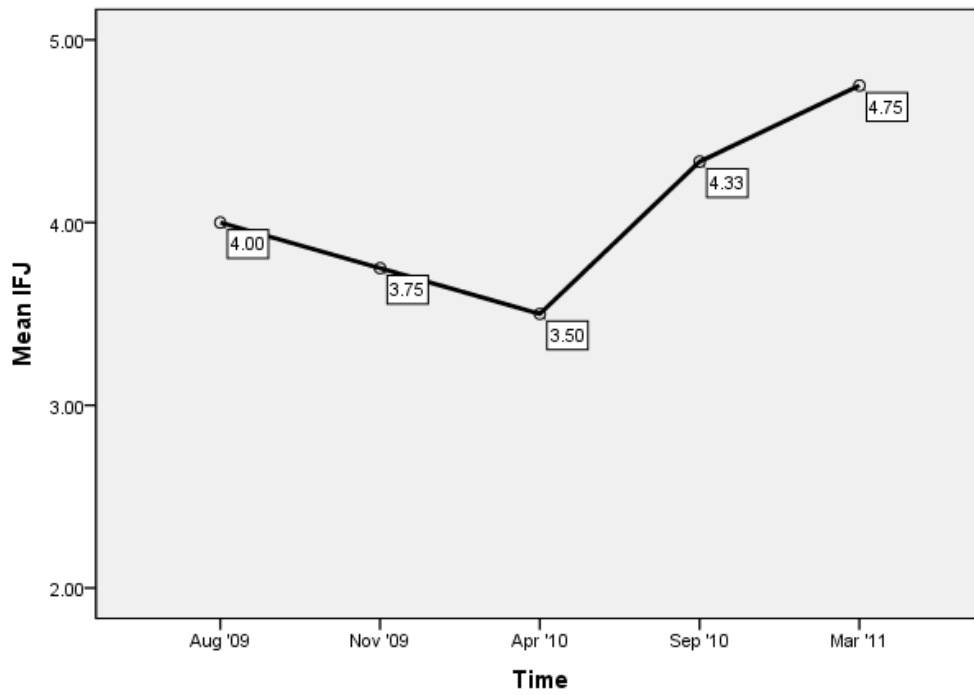
**Figure 7.16:** Management representatives' perceptions of Procedural Justice (PJ) over time.



1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree

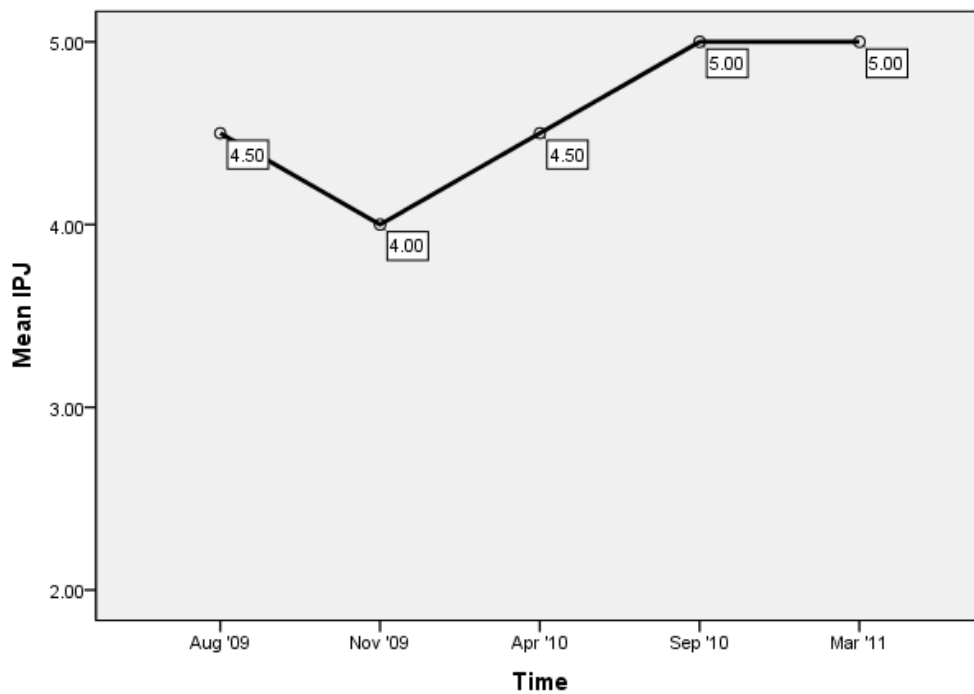


**Figure 7.17:** Management representatives' perceptions of Informational Justice (IFJ) over time.



1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree

**Figure 7.18:** Management representatives' perceptions of Interpersonal Justice (IPJ) over time.



1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree

Management perceptions of fairness follow a similar path to the employee representatives for all but the April 2010 meeting. However, the order of highest rankings for the four dimensions is different. PJ is at the highest point, with IPJ, DJ and IFJ following. The reason for this could be that, since procedures are mostly management driven, they perceived them as fairer than did the employee representatives.

Nevertheless, a drop is observed here as well in the November 2009 meeting in three dimensions, with the most significant being IPJ. This was an interesting meeting in terms of interpersonal behaviour, with employee representatives expressing complaints about lack of consultation for the first time since the revamp of the forum. Their behaviour during the meeting probably had a negative impact on management's perceptions of IPJ – though this does not mean that they considered it unfair as it still remains at a high point (4). In this meeting, the Chair changed halfway through, and also C2 ran out of time, which left C3 in a difficult position since he had to cut discussions short in an effort to get back on track. This can explain the 0.5 drop in PJ. Lastly, IFJ is dropping slightly. The only item on the agenda that management could get feedback on from employee representatives was 'paternity leave'; the drop in IFJ could be interpreted as management not being satisfied with the feedback they got from employees about this issue.

While in April 2010 an increase was observed in employee representatives' perceptions, this meeting did not appear to be as effective from a management perspective. The figures above (8.16 – 8.19) show a drop in all justice perceptions except for interpersonal justice. An explanation for this could be the 'info-only' full agenda, with items that came from management, which could be perceived as less relevant to the forum, making management question the effectiveness of it:

*'If you were very focused and very black and white about the role of the forum, and went through the agenda items and said does that agenda item fit in the category of 'needing to inform employees' or 'needing to consult with employees' about some substantive change in the organisation, yes or no, the answer is no it shouldn't be there.'* (C3)

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Another explanation may be that, according to C3, employee representatives' seemed less interested and proactive in this meeting:

*'A couple of times I was trying to persuade people to gather feedback on a topic, no one were biting and I was sitting there thinking, actually so what on earth are you all doing here? Because you know here I am and I've now asked for the fourth time to gather the feedback on this topic and no one is taking me up on it. So you know, you ask to be consulted and then when someone's actually consulting you on something or wants you to go away and gather opinions about something they're like don't want to know.'*

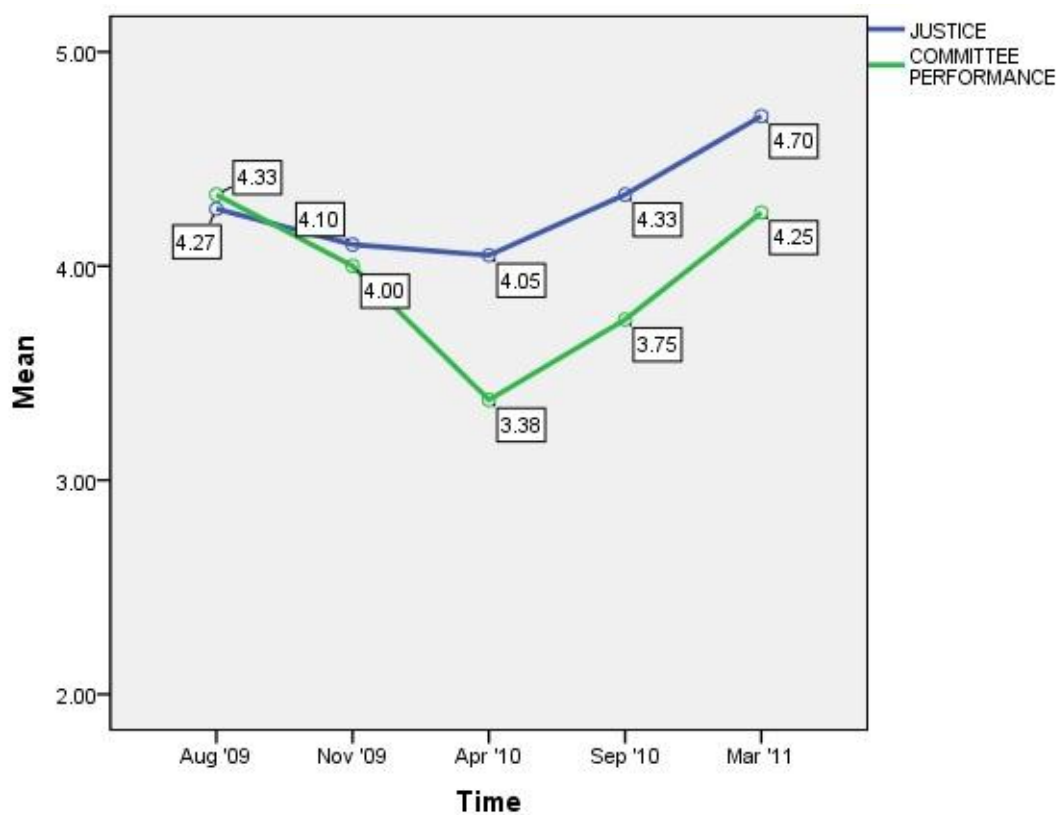
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In September 2010 and March 2011, changes in management perceptions are similar to those of employee representatives. There is an increase in IPJ and IFJ and a significant drop in PJ, with DJ remaining stable for the September 2010 meeting, and a significant increase in IFJ, PJ and DJ. Now all dimensions are in the same order for both employee and management representatives. IPJ is at the highest point with IFJ, PJ and DJ following.

The decrease that is observed for PJ in September 2010 can be attributed to the sensitive items discussed at that meeting, namely, 'performance management and reward', and 'discretionary day', and issues that could be characterised as unimportant and not interesting to the forum, for example, 'volunteering policy' and 'the coalition government'.

Figure 7.19 below shows a comparison of management representatives' justice and committee performance perceptions during fieldwork. Similar patterns to the respective employee representatives' graph can be observed, suggesting a positive relationship between justice and committee performance perceptions.

**Figure 7.19:** Management representatives' perceptions of overall justice and the NICF performance over time.



*Justice: 1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree*

*Committee Performance: 1=Very low; 2= Low; 3=Acceptable; 4=High; 5=Very high*

## Summary

The preceding section has presented data on the evolution of fairness perceptions in the NICF through each stage. Evidence suggests that changes in fairness perceptions are the result of unrealised expectations concerning consultation, which were formed at the early stages of the forum by the positive experience from the redundancy consultation exercise and training.

What can also be observed is that perceptions of procedural and distributive justice seem to be significantly affected by the items in the agenda for every meeting. In particular perceptions are affected by whether those items are 'information-only' or consultative items, whether employee representatives believe that 'information-only' items should actually be consultation items, and what items management bring to the forum at the options based consultation phase. Employee representatives perceive the process of decision making and outcome to be fair, the more consultation items there are in the agenda. This, in turn, has an impact on the perceived effectiveness of the forum.

Management's response to employee representatives' concerns about lack of consultation and the resulting ineffectiveness of the forum (i.e. workshop and introducing sub-groups in March 2011), had a positive impact in all dimensions of fairness perceptions. Forum members judged this move as fair in all dimensions and this also improved their perceptions of the forum's performance.

## GENERAL REMARKS

In this section data are presented that show the positive relationship between trust, justice and the forum's performance.

The impact of perceptions of trust and justice on the members' perceptions of usefulness, performance, employee relations climate and partnership can be seen in the table below (Table 7.8). It is a summary of all scores (means) from August 2009 until the March 2011 meeting. All categories show a decline between August 2009 and September 2010, with procedural justice being significantly affected for both management and employee representatives (1 and 0.85, drop respectively). Across the same time period, distributive justice drops 0.7 for employee representatives, and partnership drops 1.333 for management representatives. After the September 2010 meeting, distributive and procedural justice, usefulness and partnership were at the lowest point for both management and employee representatives. Performance was at the second lowest point. The table also shows the impact the workshop had before the March 2011 meeting. Representatives had a chance to hear C3 explaining what he and the IR manager had been doing in terms of promoting the forum to the NLT, and representatives also had a chance to work together to find ways to improve the forum's procedures. The impact of that day and the meeting on representatives' perception of trust and fairness and also the performance of the forum can be seen in Table 7.8. Employee representatives' perceptions of trust, DJ, forum's usefulness, performance and partnership are at the highest point after the March 2011 meeting, with IFJ and IPJ reaching the second highest point and PJ increasing by 0.564 to the third highest point after reaching the lowest point at the previous meeting. This parallel progression indicates a close positive relation between perceptions of distributive and procedural justice and usefulness, partnership and performance. However, the case for management is different. While their perceptions of DJ, IFJ and IPJ are at the highest point after the March 2011 meeting this is not reflected in an increase in their perceptions of the usefulness of the forum, the ER climate and partnership. Perceptions of performance, on the other hand, reach the second highest point after constantly dropping since the August 2009 meeting.

**Table 7.8:** Scale items progression through time.

		Trust	SD	DJ	SD	PJ	SD	IFJ	SD	IPJ	SD	ER Climate	SD	Usefulness	SD	Performance	SD	Partnership	SD
<b>Aug '09</b>	MR	<b>3.67</b>	0.208	4	0	<b>4.83</b>	0.289	4	1	4.5	0.5	<b>3.958</b>	0.26	<b>4</b>	0	<b>4.33</b>	0.144	<b>4.33</b>	0.577
	ER	4.175	0.219	4.1	0.775	<b>4.5</b>	0.58	<b>4.35</b>	0.577	<b>4.8</b>	0.422	<b>4.156</b>	0.494	4.1	0.458	3.975	0.364	3.75	0.707
<b>Nov '09</b>	MR	3.55	0.636	4	0	4.5	0.707	3.75	0.354	<b>4</b>	0.707	3.75	0.177	<b>4.75</b>	0.354	4	0.354	4.25	0.354
	ER	3.86	0.42	3.545	0.688	3.818	0.405	<b>3.81</b>	0.681	<b>4.45</b>	0.522	3.8	0.278	3.773	1.085	<b>3.545</b>	0.643	<b>3.35</b>	0.818
<b>Apr '10</b>	MR	<b>3.25</b>	0.495	<b>3.5</b>	0.707	4.25	0.354	<b>3.5</b>	0.707	4.5	0.707	3.625	0.177	4.50	0.707	<b>3.375</b>	0.177	3.5	0
	ER	<b>3.84</b>	0.733	3.591	0.769	4.227	0.684	4.091	0.769	<b>4.45</b>	0.688	3.693	0.498	3.909	0.584	3.75	0.592	3.409	0.625
<b>Sep '10</b>	MR	3.3	0.458	<b>3.5</b>	0.866	<b>3.83</b>	0.289	4.333	0.577	<b>5</b>	0	3.583	0.26	<b>4</b>	0	3.75	0.661	<b>3</b>	0.5
	ER	3.9	0.531	<b>3.4</b>	0.876	<b>3.65</b>	0.577	4.2	0.35	4.5	0.58	<b>3.625</b>	0.417	<b>3.75</b>	0.825	3.725	0.52	<b>3.35</b>	0.626
<b>Mar '11</b>	MR	3.5	0.849	<b>4.25</b>	0.354	4.5	0.707	<b>4.75</b>	0.354	<b>5</b>	0	<b>3.5</b>	0	<b>4</b>	0	4.25	0.354	3.5	0
	ER	<b>4.22</b>	0.286	<b>4.21</b>	0.393	4.214	0.393	4.286	0.488	4.717	0.488	3.958	0.233	<b>4.28</b>	0.758	<b>4.036</b>	0.354	<b>4.33</b>	0.606

Bold font: **Highest values**

Red font: **Lowest values**

Circled values indicate the meeting with the highest values for the majority of variables.

Mean, standard deviations, correlations and alphas for the case variables are reported in Table 7.9. All scales had alphas greater than .7 with the exception of 'IFJ', which was at .68 and 'usefulness', which was at .64. What is important to observe here is that distributive, procedural and informational justice are significantly and positively related to industrial relations climate, committee performance and partnership. An interesting find is that IFJ is not correlated to usefulness. Trust is significantly and positively related with industrial relations climate, committee performance and outcome satisfaction. Surprisingly, it is not correlated to partnership. However these findings should be used with caution as the small sample size does not permit much generalizability.

**Table 7.9: Means, Standard Deviations, Reliabilities and Correlations Among the Study Variables**

Variable	Mean	Standard deviation	1	2	3	4	5	6	7	8	9
1. Gender	.32	.47	-								
2. Age	41.42	10.12	-.02	-							
3. Tenure	8.89	4.47	-.14	.25*	-						
4. Forum Tenure	2.53	1.36	.24*	.11	-.06	-					
5. Positive Mood	3.65	.80	-.13	-.15	-.09	.03	.82				
6. Negative Mood	1.41	.59	.05	.24	-.39**	.10	-.28*	.77			
7. Industrial Relations Climate	3.80	.40	-.24	-.27*	.03	.04	.42**	-.40**	.78		
8. DJ	3.75	.73	-.08	-.26*	.15	-.02	.57***	-.68***	.63***	.87	
9. PJ	4.13	.60	.11	-.07	-.09	-.04	.34**	-.15	.48***	.47***	.82
10. IFJ	4.12	.62	-.05	.01	.35**	-.02	.34**	-.32*	.25*	.31*	.25*
11. IPJ	4.58	.54	-.14	-.16	.08	.09	.34**	-.15	.19	.20	.30*
12. Trust	3.89	.53	-.39**	-.20	-.21	-.09	.32*	-.30*	.44***	.36**	.29*
13. Usefulness	3.99	.70	.01	-.30*	-.06	.11	.54***	-.40**	.48***	.67***	.26*
14. Committee Performance	3.83	.51	-.10	-.04	-.02	.10	.74***	-.25	.47***	.51***	.34**
15. Outcome Satisfaction	3.78	.88	.00	-.40**	-.00	.03	.39**	-.61***	.55***	.69***	.44**
16. Partnership	3.60	.72	0.67	.00	.02	.27*	.52***	-.18	.50***	.53***	.39**

\*  $p < 0.05$ ; \*\*  $p < 0.01$ ; \*\*\*  $p < 0.001$ .

N = 95.

Note. Scale reliabilities are on the diagonal.

(table continues)

Variable	10	11	12	13	14	15	16
10. IFJ	.68						
11. IPJ	.31*	.93					
12. Trust	-.01	.34**	.84				
13. Usefulness	.21	.13	.25	.64			
14. Committee Performance	.30*	.20	.31*	.47***	.73		
15. Outcome Satisfaction	.29	.24	.58***	.49**	.30*	.87	
16. Partnership	.27*	-.04	.14	.62***	.57***	.36*	.80

\*  $p < 0.05$ ; \*\*  $p < 0.01$ ; \*\*\*  $p < 0.001$ .

N = 95.

Note. Scale reliabilities are on the diagonal



Looking back at the forum's agenda items since the revamp of the forum in February 2009 (tables 7.1 – 7.7), after the first meeting (table 7.1), six more meetings took place and in total only one item of strategic importance (paternity leave) was at a consultation stage before a decision was made. Hardly any of the consultation items can be considered as strategic, and rarely is there consultation about items that are defined as such by the EU Directive (e.g. discretionary day). Nevertheless, we can see the impact the agenda has on all variables. August 2009 (table 7.3) and March 2011 (table 7.7) are the meetings that have the most consultation items; March 2011 is also the only meeting that the forum is consulted on items in accordance to the EU Directive and here is where we find the highest points for all but one of the variables (management perceptions of usefulness reach the highest point in November 2009 (table 7.4)).

The importance of trust and fairness in the effectiveness of the forum can also be observed from the open-ended section of the questionnaire, where participants were asked to identify the strongest influences on the effectiveness of the forum. The table below (Table 7.11) shows coding frequencies for this question and sample quotes in the total of 52 responses from five meetings and 19 participants. Consultation before a decision is made (distributive justice) and management benevolence are mentioned most with employee representatives' benevolence, management representatives' integrity, managerial ability, and procedural fairness coming second, third, fourth, and fifth respectively.

**Table 7.10:** Sample quotes and coding frequencies of the strongest influences for the forum’s effectiveness.

Code	Sample quote	Aug '09	Nov '09	Apr '10	Sept '10	Mar '11	Total
<b>DJ/Consultation</b>	<i>'Inclusion in consultation at the earlier stages when it is possible to influence decisions for the better of the whole firm.'</i> – ER7	1	3	2	3	2	11
<b>MR Benevolence</b>	<i>'Willingness of management to engage in dialogue.'</i> – MR4	2	2	2	3	2	11
<b>ER Benevolence</b>	<i>'Employee representatives who are willing to contribute time (over and above their jobs) to improve/safeguard the wellbeing of their colleagues.'</i> – ER3	4	2	2		2	10
<b>MR Integrity</b>	<i>'The quality of the chairperson and their honesty in answering questions and providing input and opinions.'</i> – ER4	1	2	2	1	2	8
<b>MR Ability</b>	<i>'Our IR Manager; manages the meetings (agenda, process etc.) very effectively and takes on board our concerns and feedback.'</i> – ER10	2	1	1	2	1	7
<b>PJ/Agenda design</b>	<i>'Strong agenda – focused on important strategic items.'</i> – ER1	2	2	2			6
<b>ER Ability</b>	<i>'Intelligent and measured representatives.'</i> – MR4		2	2	1		5
<b>ER Integrity</b>	<i>'The strong sense of fairness that the employee representatives have. They strive to ensure that constituents are treated fairly.'</i> – ER5	1	1	1	1		4
<b>IFJ</b>	<i>'Sharing of information from management at earliest stage.'</i> – ER1			1	2		3
<b>NICF's visibility to NLT</b>	<i>'Visibility of the committee's work within the leadership team and being able to demonstrate the business value that the committee adds.'</i> – ER9	1	1	1			3
<b>Support from NLT</b>	<i>'Strong support for leadership.'</i> – ER12		1		2		3

The above confirm that the major problems of the forum have to do with clarity of role and purpose, consistency in behaviours and consistency when applying procedures, and expectation misalignment between employee representatives and NLT. Successfully dealing with the clarity issue will solve this expectation mismatch and the consistency problem, since all parties will be aware of and jointly agree on the issues on which the forum should be consulted. This will lead to more consistent procedures and behaviours from NLT. NICF has reached a point where it is re-evaluating its role. This is the second time in the history of the forum that a revised design is needed, which shows perseverance from participants in their effort to create an effective forum but can also lead to another vicious cycle if leadership continue to not take the risk to consult with its employees.

As soon as this process started (workshop and March 2011 meeting), data show a marked improvement in perceptions of the forum's effectiveness, indicating that behaviours that are perceived as trustworthy and fair can have a positive impact on the forum's performance.

## **CHAPTER SUMMARY**

The present chapter has considered the association between NICF representatives' perceptions of trust and fairness and their perceptions of the forum's effectiveness. Evidence indicates that both trust and justice perceptions are positively correlated with representatives' perceptions of the forum's effectiveness. Evidence further suggests that representatives consider consultation (distributive justice) and managerial and employee benevolence to be the strongest influences on the forum's effectiveness. Managerial integrity and ability and the agenda design (procedural justice) are also important.

One issue that makes the forum's effectiveness problematic is a lack of consultation. This is why employee representatives have considered the forum to be a 'tick in the box', a 'talking shop' with no value-added contribution. Lack of consultation with the forum stems from the NLT's unwillingness to take risks, become vulnerable, and share control over the decision-making process. This unwillingness to consult, in turn, is probably the effect of low confidence in the employee representatives' abilities regarding consultation. From an employee representative perspective, this lack of consultation is evidence of inconsistent and, therefore untrustworthy managerial behaviour. Even though management agreed to a constitution that stated, in general terms, the issues of consultation, when the relevant issues came up, they refused to consult with the forum.

In terms of fairness, evidence suggests that lack of consultation can be considered procedurally and distributively unfair and can contribute to negative perceptions of the forum's effectiveness. Firstly,

negative perceptions of procedural fairness are created when NLT reach decision without consultation with the forum (here consultation is considered a process), not giving employee representatives the chance to express their views and feelings nor influence the decision. It can also be considered as lack of consistency in terms of process when there are items, though rare, on which they are consulted and other items that they are not. Secondly, when consultation items do not reach the forum, this can create negative perceptions of distributive fairness, since it was demonstrated that employee representatives consider consultation an outcome (when an issue reaches the forum for consultation before a decision is made). As shown, feelings of procedural and distributive unfairness made employee representatives question the forum's value.

Evidence further indicates that the expectation mismatch (in terms of consultation), which was created in the early stages of the forum's process, contributed to beliefs of ineffectiveness. At the early stages, management demonstrated benevolence when they decided to revamp the forum and provide representatives with training, but did not show benevolence when it was time to consult on strategic issues with the forum. The positive expectations formed were not realised, hindering trust relationships and fairness perceptions, and compromising the effectiveness of the forum.

As soon as management decided to address employee representatives' concerns about lack of consultation (by organising the workshop in March 2011), and consequently the ineffectiveness of the forum, an increase in the willingness to trust is observed. Likewise, forum members judged this move as fair in all dimensions and this also improved their perceptions of the forum's performance.

## **8. Housing Trust (HT) – ECC**

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### **INTRODUCTION**

This chapter focuses upon the Housing Trust (HT) case study and its Employee Consultative Committee (ECC) [for anonymity purposes I do not provide the real name of the company].

The case examines the period from the initial formation of the forum in 2006 up to September 2010. Fieldwork was done from July 2009 until September 2010, and it included two rounds of interviews (in September 2009 and September 2010), observation of six meetings (July 2009, December 2009, 3<sup>rd</sup> February 2010, 24<sup>th</sup> February 2010, April 2010, and September 2010), distribution of a survey after each of the six observed meetings and analysis of official ECC documentation from initial formation until the end of the research in September 2010 (ECC Terms of Reference, and minutes of meetings from December 2006 to September 2010).

This chapter will analyse the relationships between the forum's representatives and the impact trust and justice perceptions have on representatives' (employees and management) perceptions of the effectiveness of the forum. The chapter is divided into two sections. The first section, after a short company profile, presents a detailed narrative of the case, based on the Dietz and Fortin (2007) six stage model of the joint consultation process.

The second section of this chapter is an analysis based on the narrative section. In particular, implications of trust and justice in each stage and their impact on the perceived effectiveness of the forum will be shown.

The primary emphasis is again the presentation of data and analysis of the ECC case only, and as such the theoretical implications are considered in the concluding chapters of this thesis.

### **COMPANY PROFILE**

HT is a not-for-profit Registered Social Landlord providing housing for people in the wider North-west London metropolitan area. It was formed in July 2006 following the transfer of 7,250 tenants' and 600 leaseholders' homes, approximately 2,400 garages and 40 commercial properties from the local District Council. It employs some 160 people in three major departments: Property and Development, Housing and Community Services, Finance and Resources.

According to the company's website, HT has four aims: to ensure that customers are at the centre of HT's business culture, to invest in their staff, strive to provide the best quality services to their customers, and to work towards ensuring its services reflect the differences and diversity of the community.

Trust is a very important principle for HT. The vision of the company is to provide excellent housing management and related services in the District. According to HT's mission statement, its values are the set of principles and ways of working that aim to make the company known as 'a business that can be TRUSTED' (company's website). Through their values they aim to:

**'Take our customers into the heart of all we do.**

**Raise standards and provide equality of opportunity for all.**

**Use our expertise to build communities we can be proud of.**

**Seek opportunities to create strong partnerships.**

**Think consistently of ways to improve and add value.**

**Ensure we invest in the potential of our employees.**

**Deliver our commitments.'** (company's website)

The Executive Management Team (EMT) runs the company; it is responsible for the everyday running of the company, with all the final decisions being made by the Board of the company. The Board has overall responsibility for HT and all actions taken in HT's name. The role of the Board is to set the company's aims and objectives, and to ensure that the organisation is keeping within its legal and moral obligations, which are laid down by the Board and housing legislation. The Board is also responsible for ensuring the financial well-being of the Trust, by ensuring that it is managed efficiently and effectively.

The EMT and the Board are independent from each other. Members of the EMT are the directors and executive chiefs of the company and the Board is comprised of District Councillors, tenant and leaseholder representatives. EMT manages the company and is responsible for all recommendations made to the Board regarding pay awards, restructures and organisational change. The final decisions lie with the Board.

## THE FORUM

This section focuses on how the ECC was created, the reasons behind this decision and its progress to date.

### Pre-voice history

The establishment of the Trust was the result of a large-scale voluntary transfer from the District Council, which previously owned the housing stock. Following procedures set down by Government, tenants were invited to say whether or not they wanted to transfer the ownership and management of their homes to a new purposely formed Housing Trust formed by the Council. The tenants voted in December 2005 to transfer the ownership and management of the homes to the new Housing Trust with a 72% yes vote (interview with MR6).

Employees of the Council transferred over to the new organisation. According to MR6, who was involved with the transfer from the beginning, the mood amongst employees was optimistic and excited:

*'Employees felt part of something that can be very big, welcoming the change. There was no resistance at that stage to change; it was seen as an organisation that was going to be a really good, a great place to work'. (MR6)*

*'There was a lot of trust and confidence in the new organisation from day one; there was nobody who came to the Trust who didn't want to be part of this new organisation and that helped tremendously. So there was no one here against their will, for example, and there was a strong commitment to actually treat people fairly, honestly and give people a real future which is what the company did. (MR6)*

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Indeed, all of the employee representatives interviewed (n=7) were satisfied with the transfer and all thought of the Trust as a better organisation than the Council:

*'On the whole it's a bigger improvement than when we worked for Council and I liked it there as well but this is far superior to the Council'. (ER17)*

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According to employees, this was mainly because of improvements to the company's organisation:

*'Now we're a company, everything's more structured I think than it used to be, more accountable. In the Council it used to be pretty much do what you want when you want, you didn't have to worry about cost or anything whereas now it's different. (ER18)*

---

Nevertheless, the transfer created some insecurity among employees about their future in the new company:

*'Before we got a good feel of it, we were tipped over, we were worried. We didn't know what to expect, we were told it was a private organisation, so it was, the change was very very frightening, was a big big step. (ER17)*

---

This insecurity was enhanced by the fact that the new organisation was not willing to recognise the union (UNISON) under the Council. Prior to transfer, Unison represented the employees in bargaining and negotiations with the Council. With the creation of HT, there was no formal information and consultation tool in place and that made employees more nervous:

*'I think everybody got a bit frustrated because they had no part in actually what to do in the company, and people couldn't get their point of view across or get issues resolved'. (ER19)*

---

When asked why HT did not want to recognise a union, MR8, who is also the HR Manager, said:

*'I think the Trust has very much tried to take a bit more of a commercial approach to how it does things and move away from that Council mentality. And it is about being consultative, I mean, the experience sometimes that you can have of a union is it can be quite militant and quite dictatorial. And what we were really looking for was bringing staff on board and sharing ideas. We wanted to take a different approach. So we just never recognised them from the beginning.'*

---

Although management did not directly admit that past employee relations within the Council were not good, MR6 did say that a strike took place over pay negotiations:

*'This company was born out of the District Council and the District Council had strike action probably about seven years ago now that was over pay award'. (MR6)*

---

One of the employee representatives explained that the union had a 'strike' reputation:

*'Within the District Council there's always a big union representation, strikes if it didn't go quite their way'. (ER22)*

---



A decision to not recognise the union upon creation of the new organisation can be seen as a by-pass strategy to avoid any such action taking place in the future. In a new organisation, with new policies and procedures, management had the opportunity to not recognise a union and thus avoid strike action in the future. Not surprisingly, however, management did not admit to such motives during the interviews.

However, this 'voice' gap that was created led employees that were pro-union and the union itself to ask for recognition so that the 'voice' gap could be filled. According to MR8, the interim period between the creation of HT and the decision to create the ECC, was '*a bit difficult*' from a HR perspective as they were trying to address employees' concerns about the company's decision to not recognise the union:

*'Because there wasn't an employee consultative committee, but we're also saying that we didn't recognise the union, so in order to try to get that agreement and bargaining tool in place it was difficult. Because we were quite clear that we didn't want to recognise the union and we didn't have any obligation to do so. But I think in the absence of anything else, those staff that really supported being members of the union, kept bringing that in to the organisation, and we had a lot of, not a lot but we had some resistance to some things we were trying to do from the union, that were almost demanding that we did recognise them. And we didn't want to do that so it was really important at that time that we did find some other way of reaching the staff and getting some consultative process going on'. (MR8)*

---

### **Decision to create an Employee Consultative Committee (ECC)**

Upon creation, due to the fact that the union was not recognised, HT did not have any formal mechanisms in terms of discussing issues with staff, but according to MR6 '*had a commitment to involve staff in key decisions which affect the organisation*'. For that reason, the EMT decided to examine the different options in which they '*would negotiate, discuss and involve staff in taking the company forward*' (MR6).

*'We decided that we wanted something to be formal. For example one of the first issues that we faced was how we would put in place a pay award for 2007-08. Having come from a local authority framework where there was discussion and consultation, we wanted to put in something similar'. (MR6)*

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They decided to have representatives from each of the departments of the organisation, where they could have some form of consultation and make sure that the representation at that stage was proportionate. They then called for volunteers, and decided to 'test-run' the committee, to see how and if it would be incorporated in the organisation, before formally going out to elections. The role of the

volunteers at that point was *'to come and represent and cascade information down to their colleagues'* (MR6).

However, according to another management representative (the HR manager) the motives behind the decision to create the ECC were not as benevolent as MR6 described them:

*'It was obviously recognised that you need to have something in place so you would set up an employee consultative committee. I don't know for sure, but I feel that perhaps that was done as a bit of a tick-box exercise, "OK we're not recognising the union but we will set up an ECC", but without ever really buying into it and really committing to what an ECC is really about. So you can say we have an ECC, we do consult with our staff. But do we consult with our staff?'* (MR8)

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As will be shown, the ECC will prove to be a 'tick-box' exercise, suggesting the decision to create the ECC was more a strategy to avoid having to recognise a union than a genuine desire to consult with staff.

## **Design**

Following the EU Directive (EUD) guidelines, terms of reference were prepared by management. Employees had no involvement. The document has a fairly standard structure covering functions of the committee, membership, elections, regularity and form of meetings and facilities for employee representatives. As will be shown in more detail in the later analysis, the terms of reference is rather vague and unclear as to what consultation entails, and what might constitute an item for consultation. The only time 'consultation' is used in the document is when there is reference to the functions of the committee, which are to provide:

- *The formal mechanism for consultation between employees and management of HT.*
- *A forum for partnership working and information sharing, through which matters affecting HT staff can be discussed and jointly resolved.*(ECC Terms of Reference 2006, 2008, 2009, p: 1)

Within the remit of the committee, only one item is specified as a consultative one:

*'The remit of the committee will include:*

- *The development of Human Resources (HR) policies and procedures.*
- *Changes to organisational structures, roles or working practices where these relate to the majority of staff.*

- *Consultation on pay, terms and conditions of employment.*
- *Other changes, developments or matters of policy where these affect the majority of staff.*
- *Health and safety.*' (ECC Terms of Reference 2006, 2008, 2009, p:1)

Nowhere else in the document is it specified if the other items are 'information-only' or consultative ones. In the first round of interviews, when the ECC had been in operation for a year and a half, MR8 and the majority of employee representatives (n=5) identified a clarity issue with the Terms of Reference. The following quotes illustrate this:

*'I think that they [the Terms of Reference] can be more robust. I think they probably need a little bit of work. I'm not sure as a committee that we've fully identified our purpose yet if I'm being honest. I think we do need to work on that little bit, I think it's a bit ad hoc at the moment with everybody not being quite so clear about what they should and shouldn't do.'* (MR8)

*'What sort of things we can look at? What sort of things we should get involved in? I think, as things stand at the moment, the value and the purpose is drifting a little bit.'* (ER22)

---

By contrast, MR6, who acts as Chair of the ECC, and was involved with the design of the Terms of Reference, had a different point of view. As he stated in the first-round of interviews:

*I think they're very good. I think they're very clear. They're clearly set out. I think there's a full understanding of everybody around the table. I've not really, certainly since it's been operating, I've not really had anybody come forward and say they don't quite know what their role is or what their function is around the table. So I think they're very clear, the framework is clearly set out.* (MR6)

---

## **Structure of meetings**

To better understand the meetings, it is important to have a clear picture of how they are structured. They are usually two-hours long, and are attended by the employee representatives (ER = 8), the Chair (MR6), his Personal Assistant who is responsible for taking the minutes, the HR Manager (MR8) and the Facilities Manager (MR7).

Apart from the regular participants, managers with specialised knowledge on certain items in the agenda attend and give a presentation of the issue. Participants can ask questions and debate the issue during or after the presentation. The agenda material is sent to all participants a week before the meeting with the exception of 'ad-hoc' meetings when the material is given as soon as it is available.

This usually means the afternoon before the meeting or at the meeting. Never has an employee representatives' only pre-meeting been scheduled.

Additionally, at the end of each meeting there is an 'Any Other Business' (AOB) slot for any comments or issues that were not raised when the agenda was set up. In instances where an issue is raised in that slot, the material is presented to participants at that moment.

## **Preparations**

### *The 'informal' meetings: 13<sup>th</sup> December 2006 – 12<sup>th</sup> November 2007*

The ECC started operating at a 'test-run' mode on the 13<sup>th</sup> December 2006 and had its last such meeting on 12<sup>th</sup> November 2007. Table 8.1 below shows the agenda items for the six meetings held in that period. MR6 was also the Chair for those meetings. The only available data for this section are the minutes of these meetings. These were used to identify which items were of an informative or consultative nature. An item is identified as 'consultative' only when it is brought to the forum before a decision is made. An item is identified as 'EUD' when consultation for that item is required by the EU Directive. The classification was made after reviewing the meetings' minutes; the discussion held for each item clarified whether a decision was already made before the item reached the forum. For example when a decision was already made there was a presentation of the details of the decision and how it was to be implemented with questions from employees following.

**Table 8.1:** 13<sup>th</sup> December 2006 – 12<sup>th</sup> November 2007 agenda items (AH = ad hoc)

Meeting	Items	EUD	I	C
<b>13<sup>th</sup> December 2006</b>	Terms of Reference	√	√	√
	Health and Safety	√	√	√
	Pay Award	√	√	√
	Communication		√	√
<b>31<sup>st</sup> January 2007 (AH)</b>	Restructuring of Technical Services	√	√	
<b>12<sup>th</sup> March 2007</b>	Technical Services Update		√	
	Transfer Celebrations		√	
	Employee Award Scheme		√	√
	Health and Safety	√	√	√
	Pay Award Involvement 2007	√	√	
	Communication		√	√
	Christmas Annual Leave	√	√	
<b>25<sup>th</sup> June 2007</b>	Technical Services – Trial Period Update		√	
	Appraisals	√	√	
	Health and Safety	√	√	
	Pay Award Involvement 2007	√	√	
	Pay Reviews	√	√	
	Flexi System	√	√	
	Accidents		√	
	Smoking Policy		√	
<b>25<sup>th</sup> September 2007</b>	Supported Housing Review and Restructure	√	√	
	Review of Terms and Conditions/Pay Award Involvement 2008	√	√	
	Review of Employee Committee		√	
	Health and Safety	√	√	
	Redundancy Policy	√	√	
	Company Building Handbook		√	
<b>12<sup>th</sup> November 2007</b>	Employee Reward Scheme	√	√	

One can observe that after the first three meetings, consultative items disappear from the agenda, including items that are identified by the EU Information and Consultation Directive as ‘consultative’. The ‘health and safety’ item stopped being ‘consultative’ because on the 12<sup>th</sup> March 2007 meeting it was decided that a separate Health and Safety Committee would be created to solely deal with these issues. It continues to appear as an item on the ECC agenda as ‘information-only’ item.

Special reference should be made to the 31<sup>st</sup> January 2007 ad hoc meeting. This was scheduled as a result of the restructuring of Technical Services announcement that took place six days prior to the meeting, on 25<sup>th</sup> January 2007. The announcement had created significant concern among staff and an ECC meeting was scheduled to address those concerns. Employee representatives emphasised that the proposals caused a great deal of disquiet among employees, who had believed that there would be no

redundancies in the new Trust. Management expressed their wish to consult fully on the issue and make the process fair and transparent (meeting's minutes); albeit having not consulted with the ECC before the decision was made. The employee representatives' asked why the ECC was not consulted before the announcement. Management replied that this was purely due to time constraints in preparing the presentation and it was felt important to communicate directly to staff (meeting's minutes). This contradicted one of the stated remits of the ECC (changes to organisational structures) mentioned in the Terms of Reference, and it came only a month after the creation of the committee.

On 25<sup>th</sup> September 2007 history repeated itself with another restructure. Similar to the previous one, consultation had started for affected staff with no involvement from the ECC. Yet, perhaps surprisingly, according to the meeting's minutes, no questions were raised at the time from employee representatives about this lack of involvement.

This lack of consultation even before the ECC was formalised suggests that there was never a genuine intention to actively consult with the forum on decisions that '*relate or affect the majority of staff*' (ECC Terms of Reference, 2006, 2008, 2009, p: 1).

At that meeting it was decided that the 'test-run' was over and that it was time for the committee to take its formal form with employee representatives that are elected onto the committee. The ECC would consist of 8 elected employee representatives and three management representatives; the Chair (MR6), the Facilities Manager (MR7) and the HR Director (MR8).

### *Training*

The only other form of preparation the company had in place for the employee representatives was to arrange a full day's training session with an outside provider, the IPA. No managers, except the HR Manager (MR8), took part.

The highlights of the training session were a presentation of the general role of the employee representative, the objectives of an information and consultation forum, what gives consultation a good start, what is consultation, the benefits of effective consultation, and the ways to go about achieving that. The 'IPA option-based consultation model' was presented to the employee representatives, showing them how consultation should be done. As with the NICF, this model set employee representatives' expectations on how the ECC should work and how HT should consult with them through the committee.

All employee representatives interviewed (n=7) expressed a positive opinion about the training they received as it helped them understand their role and how an employee consultative committee would work:

*'I thought the training was good. It was about how the committee, they wanted it to run, it was like terms of reference kind of thing, what they wanted the committee to be like, you know. What our role was'. (ER16)*

*'It was good; I think it was a day course. It was actually in the old building, somebody came in to teach us what our roles would be, it was really informative, it was really good'. (ER19)*

---

All employee representatives (n=7) said that it would be even more beneficial if management had received training as well:

*'I know that we all who were sat suggested that managers really need to take this training too, if they want to get their heads around what the ECC is, and that never materialised'. (ER21)*

---

Similar to the NICF's case, and as will be shown in more detail in the analysis section, this lack of management participation in the training, combined with the confusing Terms of Reference, created a mismatch of expectations. Employee and management representatives formed different expectations about what constitutes consultation and what sort of 'consultation' issues should reach the forum. It will be shown in the analysis section that this mismatch had a negative impact on the ECC's perceived effectiveness by both management and employee representatives.

### **First meeting**

The first formal meeting of the newly elected ECC took place on 11<sup>th</sup> January 2008. From the eight elected employee representatives, two (ER16, ER19) were appointed by their line managers to represent their departments because no one volunteered to run for elections. Another two (ER18, ER20) ran for elections because no one else from their department wanted to.

Table 8.2 shows the agenda items. As it can be observed, only one out of five items in the agenda were consultative, which makes the first meeting highly informative in nature.

**Table 8.2:** 11<sup>th</sup> January 2008 agenda items

Meeting	Items	EUD	I	C
11 <sup>th</sup> January 2008	Terms of Reference		√	√
	Changes to Local Government Pension Scheme		√	
	Pay Terms and Conditions Review	√	√	
	Staff Survey		√	
	Health and Safety Committee		√	

MR6's aim for the first meeting was to set out the framework, explain and discuss the terms of reference and the role of the representatives:

*'From the Executive Management Team's point of view to ensure that people understood and comply with regulations. To ensure that from the exec team's point of view, that we wanted to put in place a mechanism that was genuinely transparent, it was going to be participative, and if there were are issues that were coming from employees, that there's a proper process, a forum to consider those issues. So it was really for me to set the scene and to I suppose in a way forward plan and give some idea to the representatives there the types of issues that we are likely to be involved in terms of discussion. So it was really to set out a clear framework and a path to have issues openly discussed and then take it on to Executive Team or the Board if needed. So it was a demonstration for me that the organisation is open, is transparent and is prepared to closely involve employees in the decision making of the company'. (MR6)*

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However, one employee representative thought MR6's introduction should be more detailed. ER20 refers to a lack of clarity in MR6's introduction about the representatives' roles:

*'I'd like to have known what our boundaries were, more explaining on what was expected of us, what we could have done; I'd like to have explored that a lot more in-depth'. (ER20)*

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Nevertheless, the introduction and the meeting as a whole created positive feeling and high expectations for employee representatives. All of the interviewees (n=10) described the first meeting as 'upbeat' (MR8), 'exciting' (ER19) and 'positive' (ER16):

*'When I first went in I was a little a bit dubious, little bit nervy, thinking "oh what have I put myself forward for". And I thought "this is a test. Are we going to be listened to or is it just a formality, ticking a box saying 'oh yeah we got this group, another tick in the box". But it was nothing like that'. (ER17)*

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The ECC would quickly turn into a 'tick-box' exercise in the minds of most of the interviewees. As it will be shown in the following section, this happened because the positive climate that was created in the first meeting proved extremely hard to sustain as time went by and expectations were not realised in subsequent meetings.

### **Subsequent meetings**

This section is split into two parts. The first part focuses on the meetings held prior to my fieldwork (22<sup>nd</sup> February 2008 – 7<sup>th</sup> July 2009). All data gathered at this stage come from the meeting's minutes and retrospective interviews with participants. The second part focuses on the meetings held while fieldwork was done and data was gathered from the meetings' minutes, interviews with participants and observations.

#### **22<sup>nd</sup> February 2008 – 7<sup>th</sup> July 2009**

During this period, 13 meetings were held, of which seven were ad-hoc (Table 8.3). This section focuses on the issues that had the most impact on representatives' perceptions about the effectiveness of the forum, according to their interviews.

A first look at table 9.3 shows that during the year and a half that the ECC was operating, only one issue (Operative Bonus Scheme – 21<sup>st</sup> April 2008 meeting) that can be identified as 'consultative' according to EUD guidelines, was treated as such by the committee. Additionally, over 13 meetings, only four items out of 27 were 'consultative'. A further 11 that were supposed to be 'consultative' by EUD standards were not, including three restructures. The implications of this will be discussed in the analysis section of this chapter.

**Table 8.3:** 22<sup>nd</sup> February 2008 – 7<sup>th</sup> July 2009 agenda items (AH = ad hoc)

Meeting	Items	EUD	I	C
<b>22<sup>nd</sup> February 2008</b>	Health and Safety Update		√	
	Location of Confidential Meetings		√	
	Staff Survey		√	
	Human Resources Strategy		√	
	Update on Pay, Terms and Conditions	√	√	
	Feedback on the Directors Briefing		√	
<b>7<sup>th</sup> March 2008 (AH)</b>	Cost of Living Pay Award	√	√	
<b>14<sup>th</sup> April 2008 (AH)</b>	Re-structure to Housing and Customer Services	√	√	
<b>21<sup>st</sup> April 2008</b>	Operatives Bonus Scheme	√	√	√
	Operatives Local Agreements		√	
	Employee Induction Handbook		√	√
	Update of Pay Terms and Conditions	√	√	
<b>22<sup>nd</sup> May 2008</b>	Property Services Operational Changes		√	
<b>9<sup>th</sup> July 2008 (AH)</b>	Updated Retirement Policy		√	
	Operatives Bonus Scheme	√	√	
	Housing and Customer Services Re-structure	√	√	
<b>2<sup>nd</sup> September 2008</b>	Intranet Report		√	√
	Housing and Customer Services Re-structure update		√	
	Extended Service Hours		√	
<b>12<sup>th</sup> September 2008</b>	Pay, Terms and Conditions Review	√	√	
<b>19<sup>th</sup> January 2009</b>	Frequency of meetings		√	
	Training Policy and HR Performance Management Policy		√	
<b>11<sup>th</sup> March 2009 (AH)</b>	Restructure of Lettings Team	√	√	
<b>18<sup>th</sup> March 2009 (AH)</b>	Pay Award	√	√	
	PVP List		√	√
<b>26<sup>th</sup> March 2009 (AH)</b>	Pay Award	√	√	
<b>7<sup>th</sup> July 2009 (AH)</b>	Operatives Contract	√	√	

Four major issues were mentioned during the interviews that affected representatives' perceptions during this period; the latest pay review (18<sup>th</sup> March 2009), the intranet report (2<sup>nd</sup> September 2008), operatives contract (7<sup>th</sup> July 2009) and the caretakers' salary (AOB slot, 7<sup>th</sup> July 2009). These will be discussed in turn.

## *Pay review – 18<sup>th</sup> March 2009*

An issue that has been described by both management and employee representatives as highlighting how the committee operates was the pay review discussion that took place at the 18th March 2009 meeting. The problem here lies with the contradicting perceptions about the success of that meeting. Management representatives believe this to be an example of the important role the ECC plays in decision making. Employee representatives, on the other hand, believe it to be an example of lack of consultation and involvement in decision-making.

Every annual pay review meeting works in the same way. An ad hoc meeting is scheduled with a week's notice. The meeting is ad-hoc because although committee members know these talks take place every February, they are not aware of the exact date until management informs them. No material is sent out to the representatives at that time. The only material they get is the Chair's announcement of the pay increase percentage and bonus amount, after a small introduction justifying the choice. Then the Chair asks the representatives if they have any questions and if they agree with the increase but does not comment back on the questions or comments of the employee representatives. He writes the questions and comments down and takes them back to EMT and the Board before they make their final decision. Both MR6 and MR8 believe that in this way the ECC is being consulted during the pay review process.

Here are MR6's and MR8's description of the 'successful' pay reviews discussion, which also shows how they believe consultation works. To them it involves listening to employee representatives' concerns and reporting their position back to EMT and the Board:

*'I do think it's important in terms of some of the signals that it gives in terms of governance, particularly for the Board. Again a good example of that would be this year's pay award, where the wider market was asking for negative pay awards, wider market private sector complaining about bonuses. And we were proposing a bonus for staff for this year and a reasonable pay award and it was important to give the views of the Employee Consultative Committee to the Board. And we were able to clearly say that these were the views of the staff through the Employee Consultative Committee, and if you are mindful not to give any pay award or have a negative pay award, not have any bonus at all, these are the views of the committee'. (MR6)*

*'I mean we had a very good example of probably where I've seen it challenge the most, it was about salary increases this year, in April this year. And it sparked quite a heated debate, in a way that I've not seen in the committee before. It sparked quite a response because it wasn't what was expected, it wasn't as good as it was expected. And as a result actually I think it was a really good example of what the committee can do, because as a result, [MR6] took the views of the committee back to the CEO, who presented them to the Board, and whilst it didn't improve the position, it didn't weaken the position either. Actually the information that was fed back to us was that it was really, because the Board had actually been thinking of lowering the proposal even further, and it was because of the strong reaction by the committee that actually*

*the original proposal went through. So we had in some way had some influence over that. But it was good for the committee to see that actually their views were taken to the Board and were taken seriously. I think it gave the group a bit of a boost to feel that yes we are adding some value and our point does matter'. (MR8)*

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However, these are not the beliefs of MR7. She had a different story to tell; one that was more in line with the employee representatives' perceptions of the questionable success of the issue:

*'We've had an incident, going mid last year I think it was, and it was about a pay rise, and ultimately whatever the employee consultative committee brought to the table they weren't going to do. I think the ECC brought their argument well to the table and the management were never going to change it, or the Board. I think it might actually have gone to the Board and you could tell there's going to be no budging on it'. (MR7)*

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While management thought that the meeting was successful and indicative of how concerned the company is about employees' views, they are not aware that this is not the case for employee representatives. All of them (n=7) expressed their disappointment about not being able to influence the final decision. ER18 talks about his disappointment at the lack of interaction during the meeting:

*'They basically just told us what it was. There was no backward or forward, I was quite disappointed with that'. (ER18)*

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The following quotes from ER16 and ER21 illustrate the meeting's negative impact on their perceptions of the committee's involvement and influence on decision-making:

*'I felt that it didn't matter what we said, how strong everyone's opinion were, and the effect that we thought we could have on everybody else. Because of the fact that everybody in the room, 100% felt the same way, thinking that could spread throughout the whole business at a point when they're supposed to be making the business you know a very positive place to be and for nothing to come back and for us to basically be told we were lucky. We thought it was going to have a very negative effect on people and it made the mood go quite low at that particular point'. (ER16)*

*'I personally believe we're not involved at all, we could say as much as we wanted and [MR6] will convince us that we are. Like he brought up this example of the pay awards, you might have heard about that, and [MR6] was saying "yes you did have an influence because when the CEO took it to Board, he spoke very passionately saying that the ECC had recommended this". But yeah he might have done, but how much influence did that have? How can we measure that influence? And is that something that [MR6] was saying? I don't think we did because the pay awards stayed exactly the same even though everybody from the ECC didn't agree with it'. (ER21)*

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## *Intranet Report*

The 'Intranet Report' item first appeared on the agenda for the 2<sup>nd</sup> September 2008 meeting, after it was brought up as a question in the AOB slot, in three previous meetings (11<sup>th</sup> January 2008, 21<sup>st</sup> April 2008 and 9<sup>th</sup> July 2008). Employees wanted to know why the intranet was not working and if something was being done to address this problem. Employee representatives asked about it three times (AOB slot in three previous meetings) and each time MR6 replied that he would talk to the manager responsible and yet nothing happened. ER21 decided to include it as a formal item in the 2<sup>nd</sup> September 2008 meeting and wrote a report summarising the problems and giving recommendations on how they might be addressed. After ER21 presented the report to the ECC, MR6 felt that the report was inappropriate. MR8 explains that *'it was seen (by MR6) to be critical of another employee. Basically saying another employee haven't really done their job, and hadn't really done what they're supposed to do, and he (MR6) felt that that wasn't the right forum to bring this up'*. This reaction by MR6 had a significantly negative impact on ER21 and her perceptions of MR6 and of the committee:

*'I wasn't very happy about it. And everyone said that they thought I did the right thing, it was the right forum. And then later at the next ECC he (MR6) said "that's not the right forum to bring something like that, we don't write reports for the ECC". So that's the last time I tried anything like that. I was trying to do something to help out and I just got told off for it. I just thought well is it actually worth bringing anything serious there that they're not going to take note of? I think it all changed for me with that report. I felt less than willing to contribute and I could see it wasn't just me, I think that the whole ECC was starting to lose motivation anyway and with that it all started to go downhill'. (ER21)*

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After this ER21 formed a rather negative opinion of MR6 which was apparent in most of her interview answers. See how she refers to him in the following quote:

*'I don't think he (MR6) actually wants to know what the employees have to say. I really don't. I think it is his opinion that counts, he will tell you what he wants to tell you and the employees are just there to listen'. (ER21)*

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Unfortunately there are no comments from MR6 about this report from my interview with him, as all interviews were anonymous and any question about the issue would break that anonymity. The HR Manager, MR8, however, was more than willing to discuss the issue. In fact, she brought it up herself to highlight how the lack of clarity around the issues that can be brought to the ECC have a negative effect on employee representatives:

*'Well how do we do things if we've brought it to the ECC several times and nothing has moved forward? All this person's done is brought it to the ECC again but in a more formal way. What are we there for if we can't do this?' ... 'MR6 was obviously bringing the message from EMT, which was "this is not the way that we do things". But that's ok, that's fine, and I do understand that to a point, but then what we have to say is "well how do we do things then?" And that bit we haven't yet resolved. So I think we're in this kind of grey area at the moment, where there is this reticence to put things forward that could be a bit controversial because it's clear to us that we don't do it in that way, so how do we do it?' (MR8)*

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### *Operatives contract – 7<sup>th</sup> July 2009 meeting*

This dismissive behaviour from MR6 continued with another issue raised by another employee representative, ER18, regarding the introduction of new contracts for the Operatives (these are employees working out of site). Under the new contracts a 20% bonus of 'on-call' duties was removed, as the Operatives were no longer allowed to be 'on-call' due to health and safety issues. 'On-call' duties were going to be assigned to external contractors. ER18 asked for the reasons behind this decision. This is his account:

*'I said, "but you brought it out as a health and safety thing but the contractors are doing it. But they're doing it same as us". But the contractors are working the same as we would've. Basically they just took 20% off our wages and when I brought it up to the committee and said "surely the contractors work to the same level as us so if we can't do it they can't do it". And he (MR6) said "no, no, no, you don't have to worry about that". And again no explanation and that was it. One more negative thing that came out of here'. (ER18)*

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ER18 has not raised another issue or question since (according to minutes of meetings, observations and his interviews).

### *Caretakers salary*

The 'Caretakers salary' issue was brought up by ER20 in an AOB slot at the 7<sup>th</sup> July 2009 meeting. This example shows the lack of involvement the ECC is facing even for issues the employee representatives bring to the table.

Caretakers thought they were vastly underpaid after comparing similar positions in other organisations. Because they felt they were not listened to by their managers when they discussed the issue, they asked ER20, who was their representative in the ECC, to enquire about the issue in an ECC

meeting. And so he did. The HR Manager replied that it will be looked at. ER20 expected a consultation process to start, but that was not what happened. Instead, at the next ECC meeting, the representatives were informed that the matter was now resolved and a raise was given to the Caretakers. Even though for the caretakers this was a good result, this was not the case for ER20 in terms of consultation process. To him and to other employee representatives (n=4), it seemed like the ECC was circumvented and ignored:

*'We brought it up, we never discussed it with the group, so literally it was "oh yeah taken off you". It was never really then the idea, "this is what we're going to offer the caretakers what do you think?". So it was just like "thank you, decision dealt with", and not informed until it'd been discussed. So I just thought even though it was a result for them, they got the pay rise; I just thought I might as well not been in the committee. We don't really debate any issues. The things that come to us are pretty much things that already are going to be put in place anyway, and we just review them and say "I got concerns about this". But this is going to be passed anyway. I feel it's a bit wishy washy or it's done at face value, the committee, we don't actually debate anything. I just felt that it was just done and dusted as quickly as that'. (ER20)*

*'Nobody knew anything and it was like "oh this is what's going to happen", forget the consultation with the ECC. So ER20 wasn't then able to go back to the caretakers, he probably felt a bit stupid because he wasn't able to say "well actually that was a result of what I took to ECC". (ER21)*

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## **27th July 2009 - 15th September 2010**

The first meeting I observed was the 27<sup>th</sup> July 2009. Table 8.4 shows the agenda items for the six observed meetings up until the end of the fieldwork after the 15<sup>th</sup> September 2010 meeting.

**Table 8.4:** 27<sup>th</sup> July 2009 – 15<sup>th</sup> September 2010 agenda items (AH = ad hoc)

Meeting	Items	EUD	I	C
<b>27<sup>th</sup> July 2009</b>	Terms of Reference	√	√	√
	Healthy Living Initiatives		√	
	Inspection		√	
	Suggestion Box		√	
	Role of the Employee Consultative Committee		√	√
<b>1<sup>st</sup> December 2009</b>	Employee Suggestion Box Responses		√	√
	GPS Tracking System to Vehicle Fleet		√	√
<b>3<sup>rd</sup> February 2010</b>	HR – ECC Newsletter/People Matters Newsletter		√	√
	Employee Suggestion Box Responses		√	√
	Call Centre		√	√
	Cultural Change	√	√	
	Replacement ideas for Car Parking Permits		√	
<b>24<sup>th</sup> February 2010 (AH)</b>	Pay Award	√	√	
	Rebranding of Employee Recognition Scheme		√	
<b>26<sup>th</sup> April 2010</b>	Changes to the Disciplinary and Flexi-time policies	√	√	√
	Part-day sickness absence	√	√	√
<b>15<sup>th</sup> September 2010 (AH)</b>	Re-structure to Property & Development Services	√	√	

*27<sup>th</sup> July 2009*

When I walked into the big meeting room I got a sense of formality. Management representatives were sitting on one side of a large square shaped table whispering to each other, and employee representatives were on the opposite side of the table, sitting silently and waiting for the Chair to start the meeting. (Observation notes)

As soon as everyone was in the room the Chair (MR6) commenced the meeting right away. There was no joke, no effort to lighten the atmosphere. They started immediately with the items on the agenda. For all of the items, there was a small presentation of the issue, providing the necessary information, and then MR6 would ask if there were any questions or comments. Most of the time there were none. The only item that stirred some interest was the discussion about the role of the ECC. (Observation notes)

MR6 asked the representatives the following questions: *'do you think it is lip service? Is it meaningful? Are we actually addressing issues or is it just informational?'* (Observation notes)



ER21 was the first to reply, expressing her concern that she felt she could not influence issues and MR8 added that it is not clear if the ECC is supposed to be just informational or more and at the moment issues come after they were decided. MR6 responded to this, saying that this is not always the case and referred to the latest pay reviews (18<sup>th</sup> March 2009), commenting that the views of the ECC were taken into consideration before a final decision was made. No one commented after that and MR6 continued saying that *'nevertheless, there needs to be more clarity on whether it is information or not.'* However, no actions to address this were ever taken.

ER17 said that one example is not enough and that *'more issues need to come to us beforehand'* and ER20 asked for more time to discuss things. The issues that were raised were: a) more clarity on what constitutes a confidential issue (MR8). They all agreed that all items should be considered open to the rest of the employees unless otherwise stated; b) more clarity on the role of the ECC (ER21). Is it solely informational or is it consultative as well? c) effort to bring more issues to the table, with MR6 thinking that *'a fear factor of speaking up seems to contribute to this'*, and stating that *'we need to clarify that it is OK to raise issues, it is OK to debate. And we need to be clear about the role of the reps and the ECC'*.

According to minutes of meetings and both rounds of interviews, during the following year no further action was taken to address these issues. What is more, even fewer items were brought to the committee, meetings started to get cancelled because of lack of agenda items, and there was no consultation about strategic decisions that were made by the company (e.g. pay reviews, HR policies, restructure). The implications of these will be discussed further in the analysis section of this chapter.

### *1<sup>st</sup> December 2009 – 3<sup>rd</sup> February 2010*

After a meeting was cancelled in September 2009 due to lack of agenda items, the next two meetings (1<sup>st</sup> December 2009, 3<sup>rd</sup> February 2010) took place on schedule.

The 1<sup>st</sup> December 2009 meeting took place in MR6's office, with eight representatives trying to fit around a small round desk. The meeting had only two items on the agenda, raised by the employee representatives. A presentation and a small discussion took place for both items and the meeting lasted less than one hour.

What started to become apparent at this meeting was a feeling of indifference from the employee representatives. After the presentation of agenda items, there is always a small discussion but this discussion hardly ever leads to actions being taken to resolve issues if needed (minutes of meetings, observation notes). This indifference is apparent to management representatives as well and was

mentioned as a problem of the ECC effectiveness during the interviews. For example, at the AOB slot of the meeting, MR8 asked for employee representatives' suggestions regarding alternatives to a car parking permit policy that was currently in operation. She was asked to do so by the CEO. Here is her description of the discussion:

*'I was once asked, and was quite surprised, was once asked by the CEO, to take something to the ECC and ask them for their ideas, and it was just to do with car parking and to provide alternatives. I didn't get one thing back from anybody and I had to go back and say, "they didn't give me anything". So in a way, why would they then another time say, let's ask ECC? And that comes back to that apathetic stance. They did come up with some impractical suggestions, a little debate took place around the table, you may remember, we had a few ideas thrown around. But I did say "please take it out to staff, ask them, and come back", I did chase it up. I didn't get one single thing back. So I just went back and said ECC don't have a view because there wasn't much else I could say'. (MR8)*

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This seemingly apathetic behaviour was apparent in all the meetings I observed and it will be discussed further in the analysis section of this chapter.

The 3<sup>rd</sup> February 2010 meeting was the first to include a strategic issue in the agenda since I started observing meetings. This was the 'Cultural Change' item. One would expect that the ECC would have some kind of input in this, something that MR8 raised during discussions on the issue. However this was not the case. An external consultant was contracted to research options of cultural change in the organisation with no involvement whatsoever from the ECC. MR8 thought *'this was wrong. The ECC should have some input on what has been done so far with the cultural change'*. But again, there was a discussion on how the cultural change is progressing but no initiative from either side on how the ECC can be more involved in this. (Observation notes)

At the AOB slot, MR6 advised the group on the process that was going to be followed after the pay review meeting, which was going to be held on 24<sup>th</sup> February 2010. ER17 asked if there would be a bonus payment awarded to employees and MR6 replied that any bonus payment would not be discussed until after the year-end figures had been produced. He concluded that the bonus payment is purely discretionary and the Board reserves the right to make this discretionary payment.

## *Pay reviews – 24th February 2009*

Next was the ad hoc pay reviews meeting. Having heard from both management and employee representatives that it generated heated discussion the year before, I was excited to attend. My high expectations of a lively conversation, where all employee representatives would participate, were dashed. This was another dull, quiet meeting where employee representatives heard EMT's pay increase and bonus recommendation from MR6 and just nodded their heads along.

The start of the meeting was somewhat uncomfortable as MR6 advised the Committee that following the last meeting, he was immediately made aware that two employee representatives had reported back to employees that they would not be receiving a bonus this year.

In his own words:

*'It was disappointing, from my point of view, to have feedback from the last meeting, that I think two of you fed back to their teams that there would be no bonus payments this year. And that came back to me. The point I need to make to you strongly is that, it's really important that you don't put your interpretation onto things that I've said. I don't think in any way, I gave any suggestion at all that there will be no bonus payment. And have it come back to me, absolutely within an hour of the meeting, was disappointing.'*

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He stated that it was important that representatives report only the facts to their colleagues and not their individual interpretation of them but never gave a chance to employee representatives to respond to this comment. He immediately went on to present EMT's recommendations for that year's pay award.

During his second interview, MR6 commented further on the issue:

*I think if someone had those concerns, they should've been raised properly at the meeting, discussed with their colleagues. So my concern was, it was leaked but it was what was leaked. The fact that information was given I got no problem with, the fact that it was incorrect and there was a slant put on it that was somebody's personal view and totally incorrect. So that was my real concern, so 'annoyed' would be my response to that and even today I have the same view. (MR6)*

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No material or different pay award options were given to the employee representatives prior to the meeting. MR6 presented EMT's recommendation of a 1% pay increase and annual bonus that would be given at the discretion of the Board. This recommendation was to go to the Board on 3<sup>rd</sup> March 2010. No

time was given to employee representatives to discuss the recommendation without management presence and at no time did they ask for it. MR6 asked if representatives thought staff would think 1% is fair. ER17 said 'no, but 1% is better than nothing and most thought they would get nothing'. Then, the members of the committee wrote a statement with their views of the proposal that was taken to the Board along with EMT's recommendation:

*'The ECC felt that the recommendation of a 1% pay award is fair and reasonable in the context of the wider economic environment and what is happening specifically within the housing sector.*

*The ECC does, however, want the Board to recognise that the Trust has had another very successful year and the EMT have always maintained that excellent performance will be recognised through improved pay. This year we have had a very successful Audit Commission Inspection when the whole organisation came together to achieve a very positive result for the Trust and our residents and this has been recognised recently by the new Tenants Services Authority.*

*The ECC is concerned that if this excellent performance is not recognised this may have a detrimental effect on the continuous improvement the Trust has made year on year since 2006.'*

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In effect, the ECC, in this statement, contradict themselves when they say they agree with the pay award as being fair but on the other hand, this rise does not fully represent their performance.

The Board read EMT's recommendation and the ECC's statement and decided to not even go for the 1%, they decided to give no pay rise or bonus payment. Even then, the ECC did not react in any way. This behaviour was a surprise even for one of the management representatives (MR7 – second round interview, six months after the pay review meeting):

*Last year, when it was announced that we wouldn't get a pay increase and the committee did nothing, said nothing, they just sat there and let it happen. Now I'm not saying that they were in a position to do anything but I would just say they felt lethargic enough that they thought there was no point in saying anything so they decided not to. Obviously there is a point to saying something against not getting a pay rise. Because in respect if you don't get a pay rise and the cost of living goes up, you had a reduction in pay. Now I think that's quite an emotive subject and it was just, people let it go over their head really and I think there are a lot of employees that were very disappointed that the committee didn't have a voice, they had the opportunity but they never used it. People just seemed completely desolated and seemed to have lost their voice. (MR7)*

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The reasons behind the ECC's seemingly lethargic and apathetic behaviour will be discussed further in the analysis section of this chapter.

*26<sup>th</sup> April 2010*

The meeting on 26<sup>th</sup> April 2010 was just 40 minutes long and focused on two HR related items. Both items had not gone to the Board yet for final consideration and the HR Director (MR8) asked for any feedback, issues of concern or comments that employee representatives thought should be included before the final version of both policies were taken to the Board. There were none. Employee representatives supported the policies and made no additions or changes.

This meeting had 50% attendance from employee representatives (n=4) and only two of them spoke during the meeting. At that stage it had already become obvious that it was the same employee representatives that always contributed to discussions. And those were the ones that voluntarily ran for elections. The two that were put in the employee representative position by their line manager did not contribute or speak during any of the six meetings I observed. This contributes somewhat to the apathetic stance the ECC appears to have most of the time.

This point will be elaborated upon in the analysis section of this chapter.

*Property and Development Restructure – 15th September 2010*

The last meeting I observed was the ad-hoc 15th September 2010 meeting that was regarding a restructure that was about to happen in the Property and Development department. The last meeting I was supposed to observe and complete my fieldwork was scheduled for 26<sup>th</sup> July 2010 but it was cancelled as there were no items to put on the agenda...again. The second round of interviews that were going to conclude fieldwork at HT were scheduled for 14<sup>th</sup> – 16<sup>th</sup> September 2010. On the 14<sup>th</sup> it was announced that an ad-hoc meeting would take place on 15<sup>th</sup> September 2010 concerning the 'Property and Development Restructure'. The meeting came after EMT had already announced the restructure to Property and Development employees (on 14<sup>th</sup>) and a day before it was scheduled to be announced to the rest of the workforce. The meeting was 30 minutes long. It started with a PowerPoint presentation of the restructure process and timeline. No material was given to the ECC prior to the meeting and the ECC was never involved or consulted at any point of the process, even though two employee representatives were from the Property and Development workforce (ER17, ER20). During his interview later the same day, ER20 told me that he found out at the briefing on 14<sup>th</sup> September that his position was going to be made redundant and he would have to apply for a new position within the department if he wanted to keep working for HT.

After the presentation was over none of the employee representatives asked any questions. It felt like they were giving management the 'silent treatment'. All they said was "thank you for the presentation" and left the meeting room. As they explained later during the interviews, this was not deliberate. This was not the case during the interviews. All of them had a lot to say, all negative comments, about the role of the committee in the organisation:

*'It just seemed, all of it, rushed, kind of dropped it on us. I thought it was actually meant to come through us first'. (ER19)*

*'I think yesterday's meeting was a tick box exercise. The employees of Property and Development were called in prior to the ECC, the ECC were called in after the event, when it all was communicated. No information was given to the ECC to look at, to actually look at the impact on the employees and the staff welfare. There was no opportunity for the management team to discuss with the ECC why this was going forward, why they were doing it. So it was literally just to say, on paper, it was presented to the ECC when actually nothing was really done. It makes me wonder why I'm on the committee to be honest. It makes me wonder, then are they formally going to use us as a puppet and the fact that our views are not respected, or the fact that they don't feel that they can share that sort of information with us is pretty pointless having it. Why call a meeting to tell the ECC when it's been broadcasted to everybody anyway? What were they looking for from yesterday? I think on paper it would be, if anyone went to a Board meeting and read the report, it would say ECC consultation, but it wasn't as far as I was concerned. To me, it's a complete waste of my time being there'. (ER20)*

*It was like we'll pass it to the ECC just because we have to. It was called as ad hoc, rushed through before the employees' briefing the next day. I didn't have time to take it all in. Maybe circumstances, maybe time pressures to get it through. They wanted to get it by the end of the year so there were time pressures. They wanted to tell staff about it today so... "Oops we haven't told the ECC, got to tick the box". (ER22)*

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Even two management representatives had negative comments about the way this meeting was handled:

*'I think the whole purpose of the Employee Consultative Committee is so that they can have representation in a process like that. Now if you call a meeting, you tell them, and you've got the briefing to announce it the next day then there's no opportunity for any discussion. All this is about is ticking a box, "before we announce it to everybody else we have to go through the ECC". But the ECC had no part to play in it'. (MR7)*

*'I think there's certainly, certainly one person definitely around the EMT table that would feel very uncomfortable that they feel confidentiality would be breached. That, things are confidential and we can't share this information, it's confidential. But then, that's consultation. (MR8)*

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## **A defunct committee?**

The events that happened since the creation of the committee and especially the latest events, suggest that the ECC is perceived to be a 'tick-box' exercise, an almost defunct committee by most participants.

The above narrative suggests that the committee is not truly consulted on strategic issues, with a number of opportunities for consultation lost. Even with issues raised by employee representatives, management 'steal their thunder' by making decisions without involving the ECC in the process. Other times they [management] disregard the issue as not applicable without giving any further explanation and never so far have they changed their minds on issues for which the ECC had objections. On the other hand, employee representatives do not express their concerns, and seem hesitant to speak up or raise issues. This behaviour in turn is translated by management representatives as apathy, which may be accurate for the employee representatives who did not want to be part of this committee in the first place.

To an outsider, the ECC is operating in a seemingly calm environment where no one wants to upset anyone. To an insider, the ECC is avoiding stirring the waters and *'doesn't want to stick its head above the parapet in case it gets shot off'* (ER20).

The following is a collection of quotes from the ECC participants on their views about the committee after the 15<sup>th</sup> September 2010 meeting, highlighting the employee representatives' frustration with the committee's lack of consultation and involvement in decision-making:

*'There's no fire in there, it's, like I say, it's always the same people that speak and the same things happen'. (ER16)*

*'I think they did it because it was a box to be ticked. When you look at other house associations or big companies, it's the forward way to go; a lot of companies do it apparently. I think it should be called employee information committee because they just tell us what's happening, and then you get a hard copy, and then a few weeks later you get the minutes, and it goes out to the workforce. I suppose they are consulting with us aren't they? It sounds better, I think it's just so that MR6 and the rest of them can go out and say to the Board that the ECC was consulted'. (ER18)*

*'The problem I have with it is we just don't seem to tackle anything. Seems to be reviewing a lot of things that already are going to be put into place so it just seems to me like it's a token gesture'. (ER20)*

*'We don't have any influence. The thing is, I mean if you decide you want to go down that road, and get people who are passionate and enthusiastic about issues, then you have to accept that that's what they want to do. If you then beat them down and don't consult them about anything, then they'll pretty soon be turned off. If they advertise for sheep, 12 sheep, the sheep would be perfectly happy now, I'm sure they'd be telling you something different, they'd say they loved it. You know, eating grass and listening*

*to MR6. But why do you bring in passionate people, enthusiastic people who want to express their opinion when you don't listen to them? Biggest turn off ever'. (ER21)*

*'I don't think it's being seen as a key influencing tool'. (ER22)*

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From a management perspective, the problem lies in employee representatives' apathy and their hesitance to challenge management, which in turn, makes the committee purely lip service in their eyes:

*'I'd like it to be more challenging because I think if it was more challenging that would lead to better governance. I suppose I have a fairly strong view that came out at a recent meeting, about saying to the individuals that they shouldn't be fearful of raising issues, they shouldn't be fearful of expressing views and opinions. And just because I'm part of the Executive Management Team they shouldn't think twice necessarily about saying what the opinions are that are being expressed to them. So from my point of view what I find a little bit concerning is, is this just lip service? Is it just a forum where if we're going to restructure a directorate, is anybody round that table really going to challenge that restructure in such a way that it will maybe require the author of the report, or the individual director, to maybe go in a different direction? Or is this simply a consultation framework where very little changes and reports go there for information only rather than seeking a direct input or a view'. (MR6)*

*'I would like to see some members be a bit more proactive. Because I think if you're a bit apathetic around the table, then how do you expect staff to buy in and really value you as a committee? And it sometimes feels like lip service I think. I feel a bit like, "ok we'll take that back to EMT" and then we don't really, nothing ever really comes back. It doesn't feel like it's driving anything, it doesn't feel like that committee is actually getting any results or achieving anything'. (MR8)*

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## **ANALYSIS**

This section will explore the relationships between the members of the ECC in terms of trust and justice and their impact on its effectiveness and operation. As shown in the narrative section, the EMT and the Board play a significant role in the operation of the ECC and as such, the relationship of the EMT and the Board with the ECC will also be examined.

First we examine the role of trust throughout the ECC's existence, followed by an analysis of the role of justice. This section concludes with some general remarks and implications for the forum.

## **TRUST**

This section provides an analysis of evidence of trustworthiness and trust levels at every stage of the ECC's operation.

### **Pre-voice history**

In order to address some of the insecurity that was created among employees during the transfer, and the growing pressure from pro-union employees for union recognition, management decided to act.

The decision to create the ECC was made by management in order to have a formal 'voice' mechanism for employees within the new organisation, after the decision to not recognise a union. One can interpret the decision to create an Employee Consultative Committee as a benevolent desire from management, as a genuine commitment to involve employees in decision-making. Especially if we take MR6's word:

*'Coming into the Trust we really had to start again, and look at a number of ways in which we would negotiate, we would discuss and we would involve staff in taking the company forward'. (MR6)*

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MR8 on the other hand, does not present this decision as triggered only by a genuine desire from management to consult with staff, but describes it as a necessary act to fill a 'voice' gap that was created by not recognising the union:

*I think the fact that we did have staff that were members of the union, there was a gap there. It's not really acceptable, I don't think, to say to a workforce, we don't recognise a union, we don't have collective bargaining rights etc. but actually we don't have anything else that you can use'. (MR8)*

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As was already shown in the narrative section, MR8, in hindsight, thinks this decision to be less benevolent than originally presented. The view that the creation of the ECC was more an unavoidable decision and an answer to pressure from staff, rather than a benevolent act, is also expressed by most of the employee representatives (n=6). Those employees thought the only reason management decided to introduce a consultative committee was because it was seen as a way out of having to recognise a union. They interpreted the decision not as a genuine, benevolent management desire to provide voice to employees, but instead a defensive mechanism to respond to employees' request for voice without having to recognise a union. These are some of the answers they gave when they were asked 'what led to the decision to create the ECC':

*'Probably from a senior management or higher point of view to keep things calmer because they've got somewhere for things to go before they, hopefully to stop things escalate to the point where they'd end up having a lot union involvement'. (ER16)*

*'There was always that group [Trade Union] in between that could do the talking on behalf of the staff to the management and from the management down to the staff so there was that tool there and I think that they felt, "we got to continue with something, we can't have nothing".' (ER17)*

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With employees asking for a 'voice' mechanism, and taking into account the strike action taken in the past, the creation of the ECC can be seen as an attempt to avoid such action taking place in the future. This could be done with the installation of a weak, non-involved committee by management. As it will be shown in later sections, this is exactly what the ECC became, a weak committee with no influence and involvement in decision making.

In sum, the decision to create an ECC was presented to employees as a benevolent act, an act of concern by management to address employees' 'voice' needs, and a genuine commitment to involve employees in the organisation's decision making process. Nevertheless, it was not perceived as such by most employee representatives. Most of them considered it to be a defensive tactic to the non-recognition of the union and the growing requests from employees for an alternative.

## Design

The terms of reference are the next tool that can be used to enhance the committee's trustworthiness. It is also the first source the representatives will rely on to form their initial expectations about the purpose and role of the forum.

The vague and imprecise Terms of Reference can lead to misinterpretations concerning the scope of the committee and the issues it should be involved in. Hence, misaligned expectations between management and employee representative concerning the role and purpose of the committee can be created. As shown in the narrative section of this chapter, there is a difference of opinion between the committee participants about the clarity of the Terms of Reference. Taking into account that a decision to trust is based on positive expectations, it is argued that disappointed expectations will have the opposite effect - a decision to not trust the other party. This difference of opinion did create an expectation mismatch, which in turn does not help maintain trust as it eventually will lead to one party's expectations not being realised. This can be seen in ER21's description of what consultation is:

*'I suppose consultation should be ideally where you can influence the outcome. That can be interpreted loosely. I mean if you've talked to someone then you've effectively consulted them. Because it can be translated so loosely in so many different ways, it can be anything they want it to be'. (ER21)*

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Another weakness of the design in terms of the committee's trustworthiness and integrity is the lack of clear confidentiality rules. Even during meetings, it is never specified whether an item is confidential or not and whether it is allowed to be communicated to the workforce or not and in what way (this was observed during fieldwork). As ER22 describes:

*'I think the rest is to be clear about confidentiality, that sort of thing is important. Things that are discussed stay in the room and aren't discussed outside. But again that's another area that's unclear. I think the terms need to be clear on that'. (ER22)*

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MR8 has the same opinion:

*'We're not clear about whether we should share it or not. I think some of the committee members don't quite know where that line is and what they can and can't say. So therefore they tend to hang back and not say anything but that means it's not getting communicated out there to the staff'. (MR8)*

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An important role in the perceived trustworthiness of the forum is the representativeness of its delegates and the participation of senior management, as it enhances credibility and indicates integrity (in terms of representativeness) and benevolence (in terms of senior management participation). Credible representativeness enhances the committee's instrumentality and credibility, giving it more integrity (Dietz and Fortin, 2007). The ECC covers representativeness very well, since it involves all of HT's different departments. According to MR6, this was the aim from the beginning:

*'We wanted to have a forum in which we could be certain that the views that were being expressed to us were the views of the organisation, not necessarily individuals.'*  
(MR6)

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However, senior management participation is more problematic. Since the start of the ECC's operation, the only time a member from EMT attended a meeting was during a restructure discussion. All it involved was the relevant department's Director informing the ECC on the terms of the restructure. This means that in four years of operation, five different Directors have attended the ECC for the duration of one meeting (minutes of meetings, observation notes).

A step that has been identified in the literature as having a positive impact on the committee's trustworthiness is employee representatives' input in the design ('consultation about consultation'). This would give employee representatives a feeling of involvement ('sharing and delegation of control') in the operation of the ECC from the beginning, could be seen as an act of benevolence from management, and would enhance employee representatives' perceived trustworthiness of the ECC and management. Not involving employees in the design of the voice mechanism, especially when they were requesting it, can fuel concerns about managerial benevolence (i.e. management do not really listen). This did not happen when the ECC was set up. All of the employee representatives that were interviewed (n=7) said that an involvement in set up would be a good step from management;

*'That you'd have been a good idea because the whole point of the committee is that the employees voice their opinion so they should've been involved in the setting up of it in the first place.'* (ER16)

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In sum, the ECC's design did not exactly build or strengthen the trustworthiness of the committee. The evidence presented above suggests that the lack of clarity of the design is the source of an expectation mismatch between employee representatives and management which in later stages led to disappointed expectations, mainly from employee representatives.

## Preparations

As with the NICF case, the only form of preparation from the beginning of the ECC's operation was the provision of training to employee representatives.

By providing training, the company demonstrated benevolence and in turn gave management more confidence about the ability of the employee representatives, since the purpose of the training was to create and enhance all the necessary skills that make a capable employee representative. All employee representatives (n=7) had only positive comments to make about training.

Training also forms expectations on how the forum should work, including its consultative character. Here lies another risk. If those expectations are not met, it will lead to doubts about the effectiveness of the forum and perceptions of low trust towards it. Training presented a certain role for the forum (options-based consultation), which employee representatives believed (reality proved different), thus creating high expectations about the consultative nature of the committee. As shown from the quotes below, these expectations were not realised:

*'Training was brilliant yeah. That was kind of set us up for what we thought the ECC would be, that we'd actually have influence'. (ER21)*

*'We had a day with a chap that came in and told what it was all about. Because we didn't really know what it was all about, how it works when you have meetings? What to do? Because he gave us the impression that it's a tool we can use not against your managers, but with them. But I found that hasn't worked. It doesn't deliver what I thought it would'. (ER18)*

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## First meeting

While history, design and preparation serve as sources of trustworthiness mainly about management's motives and building expectations about the forum, it is the actual first meeting that sets the climate for what is to follow, as it is the first ever experience of an ECC meeting. It is at this stage that most gather initial evidence about the other party's trustworthiness, as here the committee's design is put into effect and delegates have their first experience of it. Now the evidence comes from direct interaction between the members of the committee.

Although there were no consultation items (other than a review of the terms of reference) in the first meeting's agenda, most of the employee representatives (n=5) expressed their satisfaction about the information that was shared. This was interpreted as evidence of managerial integrity (openness, honesty):

*'We got to know what was going on. It didn't feel like we're going to be left in the dark. So it was really good, really positive and everybody felt that things would move on'. (ER19)*

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The sharing of confidential information by management demonstrated integrity on their part and also indicated that they trusted employee representatives. This was interpreted as such, as ER17 describes:

*'The information that was shared was confidential and I just felt that I was being trusted'. (ER17)*

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The way the first meeting was run also contributed to more positive expectations being formed by employee representatives. The following quotes highlight the positive climate that was created in the first meeting:

*'So it was full of expectation, quite exciting, I was really happy that I've been voted on and all the work into it had paid off'. (ER21)*

*'That it was going to be an open meeting, fairly relaxed and fairly working together rather than management at one side of the table and employees on the other side. That it was going to be discussing key issues that affected everyone'. (ER22)*

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In sum, the first meeting set the tone for future meetings and created positive expectations about the committee's effectiveness and its trustworthiness.

### **Subsequent meetings**

It is during the subsequent meetings that the committee delegates start forming a clearer view about the other party's trustworthiness and whether their expectations are going to be realised or disappointed.

This section, repeating the structure of the narrative part, is split in two parts. The first part focuses on events that had an impact on trust and occurred prior to the beginning of fieldwork (data used here are from minutes of meetings and interviews). The second part focuses on the fieldwork period (data from surveys and observation notes are added at this stage).

## 22<sup>nd</sup> February 2008 – 7<sup>th</sup> July 2009

As shown in the narrative section, there were four issues (three of them will be discussed in this section and 'pay reviews' will be discussed as a whole in the following section) that were identified by the participants, mainly employee representatives, as influential in their perceptions of the effectiveness of the committee and with implications for the trust relationships in the committee.

### *Intranet Report*

The intranet report issue damaged the perceived integrity of the Chair of the ECC (MR6) and according to MR8 and ER21, was also the 'trigger' for a reluctance and even fear from some employee representatives to speak out, bring issues to the table and voice their opinion in future meetings.

Korsgaard et al. (2002) found that consideration has a positive effect on perceived trust in the leader (in this case the leader is the ECC's Chair – MR6). By failing to address the issue and take action, even though it was raised in three different meetings prior to the intranet report and prior to it being a formal agenda item, the Chair (MR6) failed to sustain his integrity, and hence trustworthiness, in this matter. And when the issue was formalised in paper, his reaction to it was '*very dismissive really*' (ER21). MR8 describes it as a '*quite difficult situation, because it was almost as if then that person around the committee was actually being told that what they've done wasn't right so it was a very difficult situation*'. During the interview, ER21 was quite emotional when talking about this issue and very disappointed with the reaction she received:

*'I was trying to do something to help out and I just got told off for it and felt devalued really; it's like my opinion just didn't matter.'* (ER21)

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MR8 also identified the negative impact MR6's reaction to the report had on the rest of the representatives. According to her, the Chair's reaction was a contributing factor to the creation of the employee representatives' seemingly apathetic behaviour:

*'It's quite difficult I think sometimes for people to raise things that can be controversial if it's not going to go anywhere and nothing's going to happen with it.'* (MR8)

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In terms of trust, from an employee representative perspective, the Chair's dismissive behaviour suggests lack of benevolence in this case. This apathetic behaviour is in effect, a decision to not trust the Chair based on negative evidence about his benevolence (dismissive behaviour).

### *Operatives contract*

One example that demonstrates unwillingness to share control over a decision, to consult and debate with employee representatives about important issues that are brought in the ECC is the 'operatives' contracts'. It was ER18's (the employee representative who had questions about the new contracts) turn to be disappointed by management's behaviour and realise that his expectations about the committee's role were not met, damaging management's integrity:

*'I think it's just an information provider rather than taking action. When I first started I thought it would be, I thought it'd be something for us to you know influence them in the way they make decisions. But now I think they made their decisions and the committee is just a way of letting every department know how it's going to be.'*

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### *Caretakers salary*

The 'caretakers salary' item shows that even when issues have been brought to the table by employee representatives, there is no influence, no involvement, no 'sharing and delegation of control', no willingness from management to consult. A decision to consult with employee representatives entails a willingness to assume risk and to share control, and to make the other party feel involved, which EMT were not doing. The 'caretakers salary' is another example of that. It was now time for ER20 to express his disappointment of management and of expectations that were not realised:

*'If you take for example the caretakers and their pay rise; if that pay rise wasn't acceptable when they were given it, there was no sort of "well hold on let's negotiate, let's take this offer to the caretakers and then review it, this is what we discussed, how do you feel about this and you can come back". I just felt that it was just done and dusted as quickly as that... I think the committee is just there as a PR stand.'*

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What is also interesting here is that an apparent act of managerial benevolence, in the sense that caretakers got a pay rise, was damaging for the committee – from an employee perspective – because it was not followed by consultation and a 'sharing and delegation of control'.



In both cases ('operatives contract' and 'caretakers salary') management did not permit employee representatives to have input into decision-making. Sharing and delegating control is a behaviour that inspires trust (Whitener et al., 1998), hence, a lack of such behaviour from management would be interpreted by employee representatives as untrustworthy.

## **27th July 2009 - 15th September 2010**

This section is focused on the recurring 'pay reviews' issue and the latest 'Property and Development Restructure' item. According to the interviews, both issues were the most important examples of mainly employee representatives' disappointment on their lack of involvement (sharing and delegation of control) in decision-making. From a management perspective, these two issues along with several others are used to show employee representatives' indifference and apathy towards the ECC.

### *Pay reviews (18<sup>th</sup> March 2009 - 24<sup>th</sup> February 2010)*

During both rounds of interviews, the two latest pay reviews were the examples employee representatives used to show lack of consultation and involvement. This is an issue that is defined in the terms of reference as a 'consultative' one, but in reality it is not. The pay reviews meeting on 18<sup>th</sup> March 2009 was the first one where employee representatives expressed disapproval of the pay increase and wanted to discuss different options. But instead what happened was a rejection of the ECC's expressed opinion, which affected most (n=5) employee representatives' perceptions of the EMT's and the Board's benevolence and integrity:

*'It was completely cut and dried. "You're lucky to get it, if you moan you're not going to get anything" kind of way. So it was, oh well we're supposed to raise these things, now we've raised it, we're getting told at'. (ER16) - Benevolence*

*'We've been told for months and months how well we're doing etc. I said you can't then turn around and say we haven't performed so you're not getting a pay rise I said you don't do it'. (ER17) - Integrity*

*'I think that's another way MR6 or the CEO or the other Directors, they can go to the Board whenever the Board meets and say this is gone through the ECC. Makes it sound, they've told us but we've had no input to change anything. So, whenever the Board are meeting they say, we've been to the ECC and the people on the Board think we've influenced it when we haven't'. (ER18) - Integrity*

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This is also another example of misaligned expectations. On the one hand, you have employee representatives being disappointed with the discussions and lack of consultation and involvement, and on the other hand, you have management representatives who describe this as an example of 'successful consultation' (MR's and ER's quotes).

The pay reviews meeting held on 24<sup>th</sup> February 2010 was completely different. As shown in the narrative section, there was no discussion or debate about the proposed pay rise. Was this because employee representatives were becoming more and more apathetic? Or was it because they were reluctant or even afraid to speak their minds? Or was it a reaction to the continued dismissive behaviour they got from management every time they expressed their opinions or raised an issue?

### *Property and Development Restructure – 15th September 2010*

The 'Property and Development Restructure' was the last in a series of examples employee representatives used to show their lack of involvement and influence in decision making. Failing to consult on the majority of issues that came to the committee (e.g. pay reviews, restructures), appeared to have a negative impact on managerial trustworthiness. This restructure was the latest example of management's unwillingness to consult with the committee. Employee representatives felt disappointed at not having any involvement in decision making, and at management's unwillingness to share control of the decision making process and to take the risk of consultation. All but one of the employee representatives, when asked if they had doubts about the effectiveness of the forum, said yes and linked their answers to lack of input into decision-making (lack of sharing and delegation of control):

*'We're not being consulted. It just seems to me like a waste of time. We're just there to give them things that need to be done and they go off and do them. Like you could just sit there, do an email and it will be done. So it just seems a waste of an hour to go.'*  
(ER19)

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When asked why there is this feeling of not sharing, ER20 specifically links it to trust perceptions:

*'Maybe it's a fact that they don't trust us. They're afraid that the information might get leaked prior to actually putting it out, and they don't want to scare employees.'*  
(ER20)

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ER20's comment suggests that management are not willing to consult with employee representatives because of information leaking concerns. This suggests that management are not confident about employee representatives' integrity and hence are unwilling to engage in a risk-taking trusting act such as sharing highly confidential information. This will be explored in later sections of this chapter, when the management perspective is discussed.

### *Reluctance, inability to voice opinions, or apathy?*

During the interviews, all management representatives (n=3) identified a reluctance, a hesitation from employee representatives to speak their minds and challenge issues. This is illustrated in the following comment from MR6:

*'I don't personally feel that some of the decisions that we put through the ECC are robustly challenged'. (MR6)*

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MR7 and MR8 called it apathy. MR7 thinks that the reason behind this apathy is that the majority of employee representatives did not want to participate in the ECC. This is interpreted by management as lack of caring about the ECC, lack of benevolence:

*'We've got some employee representatives that I don't think ever wanted to be on the team'. (MR7)*

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Additionally, all of the management representatives (MR6, MR7 and MR8) believe that the seemingly apathetic behaviour is the product of lack of the necessary skills, the ability of some of the employee representatives:

*'I'm not sure they have enough experience to maybe question some of the wider impact decisions'. (MR6)*

*'They don't have the right skills to represent their groups'. (MR7)*

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MR6 also thinks that the reason behind this behaviour is a fear employee representatives have that if they speak their minds, if they challenge things, it might have a negative impact on their career:

*'I think there's also an issue that they could be singled out by management as being troublemakers and so there's an element of fear in terms of actually saying something'. (MR6)*

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MR8 believes this to be due to bad history from previous occasions where employee representatives did speak out and did challenge issues and management's behaviour was dismissive, which is evidence of lack of managerial benevolence:

*'I think there's still some history that's still being brought forward where there have been occasions where people have spoken out and it hasn't been received well and I think that's made some members who would normally speak out, made them reluctant'. (MR8)*

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Some employee representatives (n=2) also think the reason behind this reluctant behaviour is past bad examples (e.g. intranet report) and fear for the future of their careers. The impact of past evidence of untrustworthy managerial behaviour, more specifically, the Chair's (MR6), is demonstrated below:

*'It's always done the same way, management are there, and I think a lot of people are frightened of putting their head above the parapet and say "I don't agree with that". Because I think having MR6 there, as a member of the EMT, a lot of people are frightened to say what they feel'. (ER20)*

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When asked what happened to people that spoke up ER21 said:

*'They're just dismissed. I suppose I've become apathetic about it because that's what I've come to expect. And I think I'm kind of coming round the thinking that maybe I should just toe the line, keep my head down and I'll be ok. How long that will last for I don't know'. (ER21)*

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The above comments suggest this dismissive managerial behaviour had a direct impact on employee representatives' perceived trustworthiness of management mainly because of lack of benevolence and integrity. Employee representatives would 'stick their heads out' only if they trusted that management would not 'shoot it off'.

A vicious circle is created in this way. On one hand, management do not see any value in consulting with employee representatives because of their seemingly apathetic behaviour (benevolence) and lack of necessary skills (ability). On the other hand, employee representatives are not willing to be more active and challenge management for fear of risking their jobs. Both behaviours were driven from lack of trust and both behaviours led to lack of consultation and perceptions of the ECC's ineffectiveness.

### *Consultation – taking a risk by ‘sharing and delegating control’*

The apparent lack of consultation had a negative impact on employee representatives' perceptions of managerial integrity and the committee's effectiveness, creating disappointment and frustration. From the interviews with employee representatives, it appears that feeling involved (sharing and delegation of control) by being consulted matters a great deal and affects their perceptions of the committee's effectiveness:

*'It's not consultation, it's information. I think they should come clean and say "you can't influence it because we've already done this and the directors have decided this is the way it's going to be".'* (ER22) - Integrity

*'They don't want us to have any input...We're not there to influence decisions.'* (ER21)  
– Sharing and delegation of control

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Whitener et al. (1998) argue that the extent to which managers include employees in decision making (sharing and delegation of control) influences the development of trust. The lack of consultation that is observed in the ECC has a negative impact on employee representatives' perceptions of trust in management and the ECC's effectiveness.

MR7 and MR8 also believe that the ECC is ineffective because of lack of consultation, which comes from a lack of trust. According to both MR7 and MR8 this is mainly because of EMT's concerns of highly confidential information being leaked:

*'I just think that if I'd said, "well before you even think about doing this, how about talking to ECC?". I think there's certainly, certainly one person definitely around the EMT table that would feel very uncomfortable. That they feel confidentiality would be breached.'* (MR8)

*'If management had trust in an employee representative committee they wouldn't have left it till the last minute to announce the restructure.'* (MR7)

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In both quotes a link between trust, consultation and the ECC's effectiveness is suggested. The EMT has concerns about employee representatives' integrity, which leads to them deciding to not engage in risk-taking activities, which are acts of trust. A risk-taking activity in this case is a decision to consult with employee representatives. MR8 even admitted the difficulty of convincing EMT to consult before a decision is made, indicating how unwilling they are to take a risk and share control:

*'I think it would be a challenge to get them to agree to that level of consultation. To get them to accept ECC in that role, in that way, I think that would be a challenge.'*

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EMT's unwillingness to take a risk and consult with employee representatives is probably triggered from bad past experiences of the 'Council' days (strike action). Although MR6 never directly said that management do not consult with the ECC in case this triggers strike action, he believes that possibility exists, and in this case, the ECC would become an obstacle to management decision-making:

*'I think it could quite easily become a barrier and an obstacle. It could take the view that it totally disagrees with a decision that's been made. It could decide that we're going to consult the workforce, get support for a mandate, so the ECC to say "well sorry we don't agree, we totally disagree with the decision that's been taken and in fact that the workforce feels so strongly about this that it may decide to take some form of action". Could be non-compliance, it could be out and out disagreement, and we could end up in terms of some industrial relations withdraw labour, it could end up with ultimately strike action.'*

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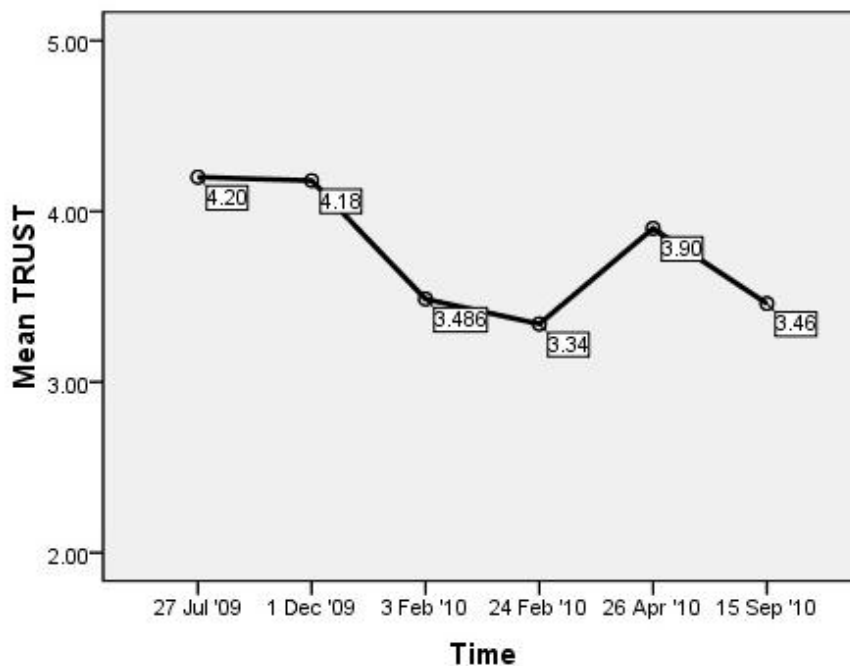
MR6's belief that there is still a possibility of strike suggests a predisposed suspicion about the employee representatives' motives and implies low trust levels.

In sum, a lack of consultation is recognised by both employee and management representatives as a factor with a negative impact on the ECC's effectiveness. This lack of consultation is an outcome of EMT's low trust levels in employee representatives. As was mentioned above, this is mainly due to EMT's concerns that the highly confidential information sharing that consultation requires might be leaked to the workforce by employee representatives.

## The employee representatives' perspective: 27<sup>th</sup> July 2009 – 15 September 2010

The figure below (Figure 8.1) shows the progress of employee representatives' willingness to trust management between July 2009 and September 2010. An overall drop can be observed.

**Figure 8.1:** Employee Representatives' trust in Management Representatives through time



*Trust: 1=Not at all willing; 2=Not very willing; 3=Somewhat unwilling; 4=Willing; 5=Completely willing*

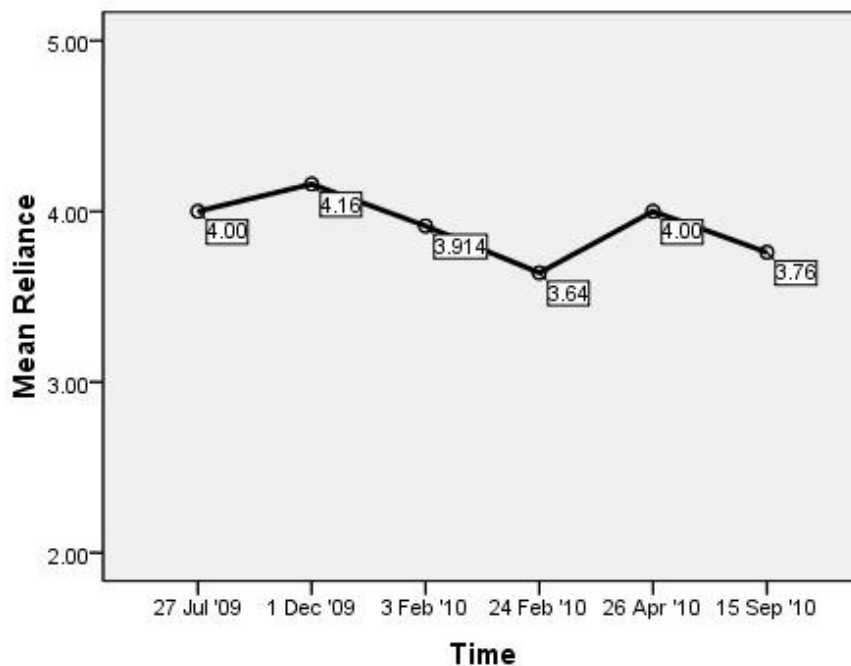
The three points where willingness to trust is higher are the three meetings where employee representatives were most involved. For the 27<sup>th</sup> July 2009 meeting it was mainly the discussion about the role of the ECC. It was at that meeting that the ECC Chair showed the most concern and benevolence, having what seemed to be an honest discussion (observation notes) about the operation and effectiveness of the ECC. This was the highest level of trust. The peak that is observed on the 26<sup>th</sup> April 2010 meeting can be explained by its consultative character. The two lowest points correlate with the 'pay review' (24<sup>th</sup> February 2010) and 'restructure' (15<sup>th</sup> September 2010) meetings.

Although a decline can be observed in Figure 8.1, this is not significant nor is trust extremely low; willingness to trust does not drop below 'somewhat unwilling'. Since the scale for trust is focused on the willingness to trust their counterparts, this can be attributed to the fact that employee representatives,

in most of their negative comments about management, were focusing on EMT, the Board and MR6 (as a member of EMT) and not MR7 and MR8, the other two management representatives.

A breakdown of trust into the two elements of the scale used reveals more. Figure 8.2 shows the progress of employee representatives' willingness to rely on their counterparts and Figure 8.3 shows how willing they are to disclose information to their counterparts.

**Figure 8.2:** Employee Representatives' Reliance on Management Representatives over time



*Reliance: 1=Not at all willing; 2=Not very willing; 3=Somewhat unwilling; 4=Willing; 5=Completely willing*

Figure 8.2 shows that employee reliance is fairly stable throughout the fieldwork period, with the lowest point again being the 'pay reviews' meeting. These high levels of employee reliance can be explained by the following quote. Employee representatives seem to trust that management representatives correctly relay their opinions and views to EMT and Board meetings:

*'They tried, so in that way it was a positive thing, because you knew they'd listened to what we'd said and put across our point strongly'. (ER16)*

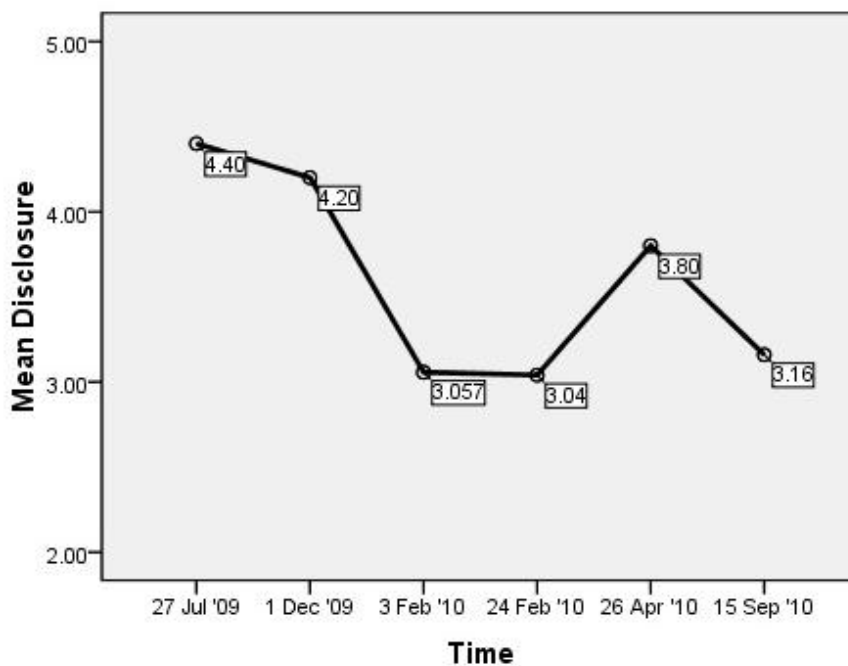
*'You know by raising it, it is going to go somewhere, it's not just falling on deaf ears'. (ER17)*

*'We trust that our views are going to be put forward'. (ER22)*



Employee representatives' willingness to disclose information and confide in their counterparts (figure 8.3) mirrors the trust figure (figure 8.1) only at a slightly lower level for the last four meetings (3rd February 2010 – 15th September 2010). Here too, the highest level is at the 27th July 2009 meeting and the two low points are the 'pay reviews' (24th February 2010) and 'restructure' (15th September 2010) meetings.

**Figure 8.3:** Employee Representatives' Disclosure to Management Representatives over time

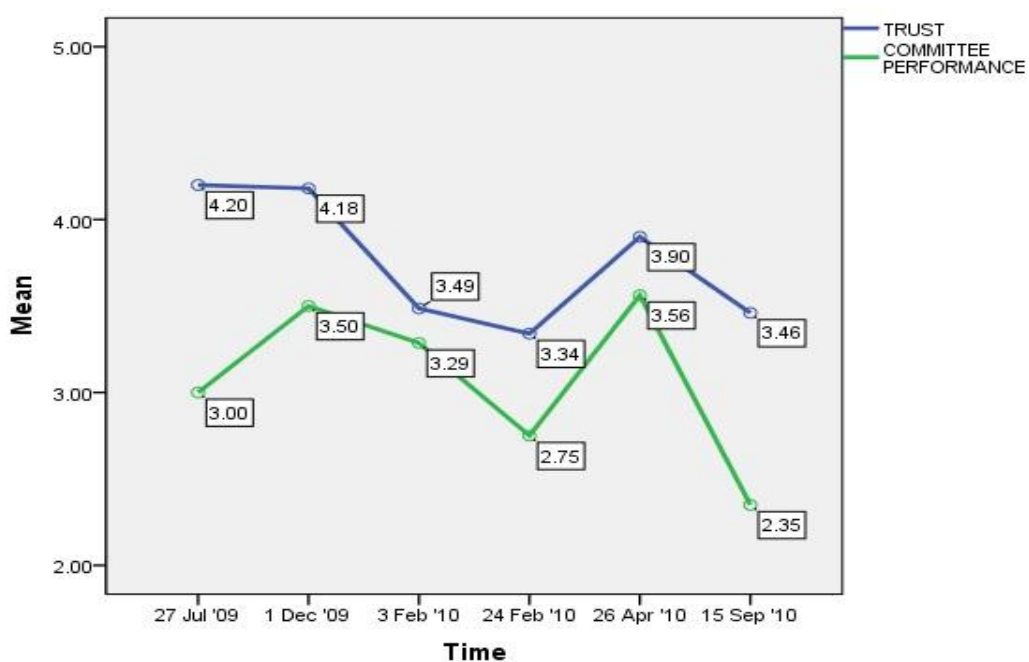


*Disclosure: 1=Not at all willing; 2=Not very willing; 3=Somewhat unwilling; 4=Willing; 5=Completely willing*

These low levels can be explained by the employee representatives' reluctance to speak out and express opinions. An indication is the fact that in the open ended survey question 'please tell us what you like and appreciate about this committee, and how it is working?' employee representatives referred to integrity only once, and it is not clear if this refers to management or employees or the ECC as a whole: 'I believe there is a good ethos' (ER20). To the same question, even though it is designed to attract positive comments, ER21 wrote: 'Today – I don't feel that it is working. Nobody wants to discuss anything anymore' (24th February 2010); and ER20 wrote: 'It's not, it seems the committee is a tick box exercise' (15th September 2010).

Figure 8.4 below shows a comparison of employee representatives' level of trust and committee performance perceptions during fieldwork. Similar patterns can be observed here, however, 'committee performance' seems to be more volatile in different meetings. For example, even though both drop after the last meeting (15<sup>th</sup> September 2010), 'committee performance' drop is the biggest observed (1.21), from more than 'acceptable' levels, to just over 'low' levels. This suggests that although trust does appear to impact perceptions of the ECC's performance, it might not be the only impacting factor. Perceptions of justice might also play an important role here, and this will be explored in the 'justice' section of this analysis.

**Figure 8.4:** Employee representatives' perceptions of trust and the ECC's performance over time.

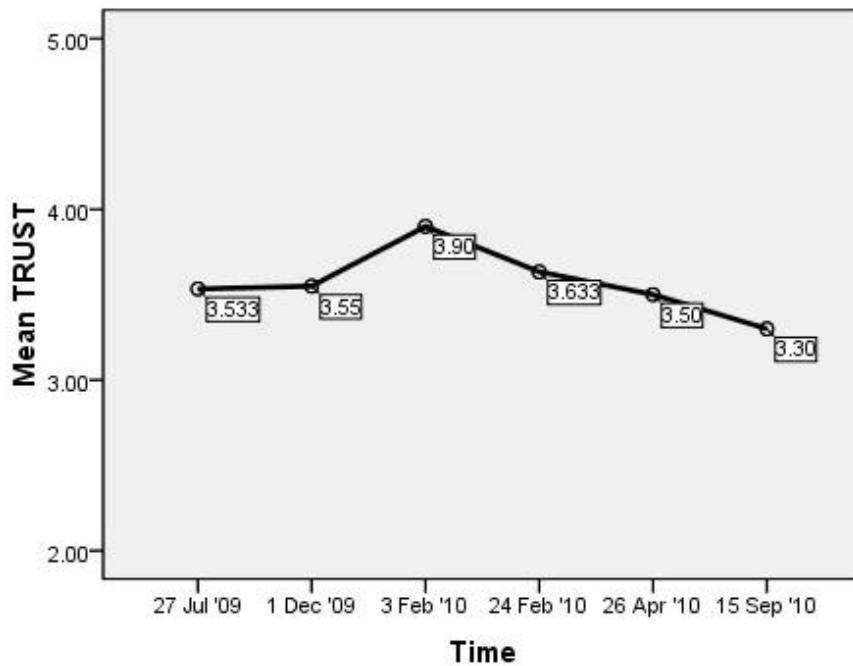


Trust: 1=Not at all willing; 2=Not very willing; 3=Somewhat unwilling; 4=Willing; 5=Completely willing  
 Committee Performance: 1=Very low; 2= Low; 3=Acceptable; 4=High; 5=Very high

### The management representatives' perspective: 27<sup>th</sup> July 2009 - 15 September 2010

Figure 8.5 below shows the progress of management representatives' willingness to trust the employee representatives between July 2009 and September 2010. It can be observed that the levels of trust are fairly stable, with small variations between points 3 (somewhat unwilling) and 4 (willing).

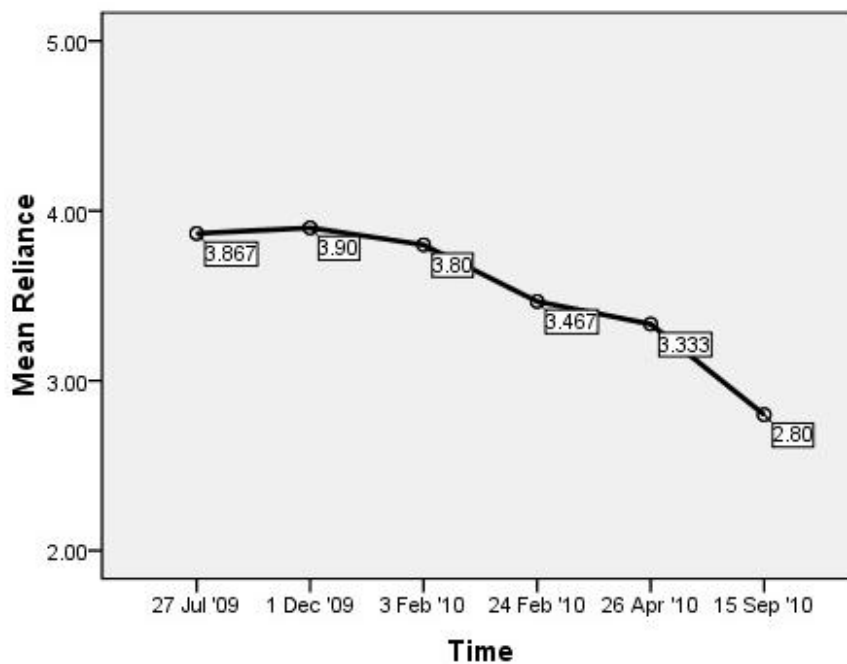
**Figure 8.5:** Management Representatives' trust in Employee Representatives over time



*Trust: 1=Not at all willing; 2=Not very willing; 3=Somewhat unwilling; 4=Willing; 5=Completely willing*

Again the breakdown of trust into the two elements of the scale used reveals more. Figure 8.6 shows management representatives' reliance and Figure 8.7 their willingness to disclose information to employee representatives.

**Figure 8.6:** Management Representatives' Reliance on Employee Representatives over time



*Reliance: 1=Not at all willing; 2=Not very willing; 3=Somewhat unwilling; 4=Willing; 5=Completely willing*

From a management perspective a steady drop is observed that amounts to a point over the fieldwork period, below the 'somewhat unwilling' range. The following quotes suggest that this is due to management's lack of confidence in employee representatives' abilities as true representatives of the workforce and after the 'bonus leak' (3rd February 2010) a lack of confidence in their integrity (concerns about leaking confidential information):

*'I do think that some of them come to the meeting not as well prepared as they ought to be. I still feel the individuals who sit on there are not necessarily truly reflecting the views of all staff within the organisation'. (MR6) - Ability*

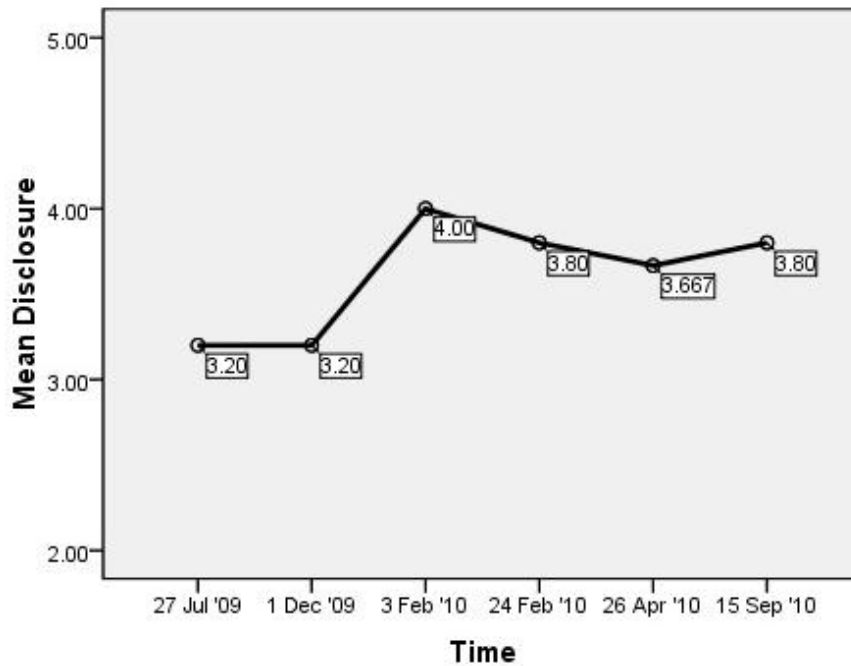
*'I do doubt that we're not as effective as we could be because I don't believe the representatives are effective in their role with the people that they represent'. (MR7) - Ability*

*'The information that was leaked was incorrect, that was the issue and I expressed real concern at the time and subsequently at the meeting because the information was incorrect. It was also divisive and I didn't like that at all. And I have the same view today'. (MR6) - Integrity*

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This is also suggested by management representatives' responses to the open ended survey question 'Please tell us what you think could be improved about this committee, and how it is working?' After the 27<sup>th</sup> July meeting MR8 wrote: *'Don't be afraid to raise controversial matters for discussion'*; MR6 wrote: *'Needs to be more challenging'*; and MR7 wrote: *'I do not believe that as individuals, all of the representatives are effective'*. There are no comments after the next two meetings (1<sup>st</sup> December 2009 – 3<sup>rd</sup> February 2010). Comments reappear in the next three meetings. After the 24<sup>th</sup> February 2010 (pay reviews) MR8 wrote: *'Some members still very reluctant to contribute'*; and MR6 wrote: *'Would be more helpful if people spoke out with confidence and are not afraid to express their views – to be more challenging'*. MR8 continued to comment on employee representatives' reluctance and wrote: *'More energy and participation from members'* (26<sup>th</sup> April 2010); *'Members need to want to be there and want to be proactive. This means getting involved in initiatives going on in the business outside of our own area. Need to speak up!'* (15<sup>th</sup> September 2010).

**Figure 8.7:** Management Representatives' Disclosure in Employee Representatives over time

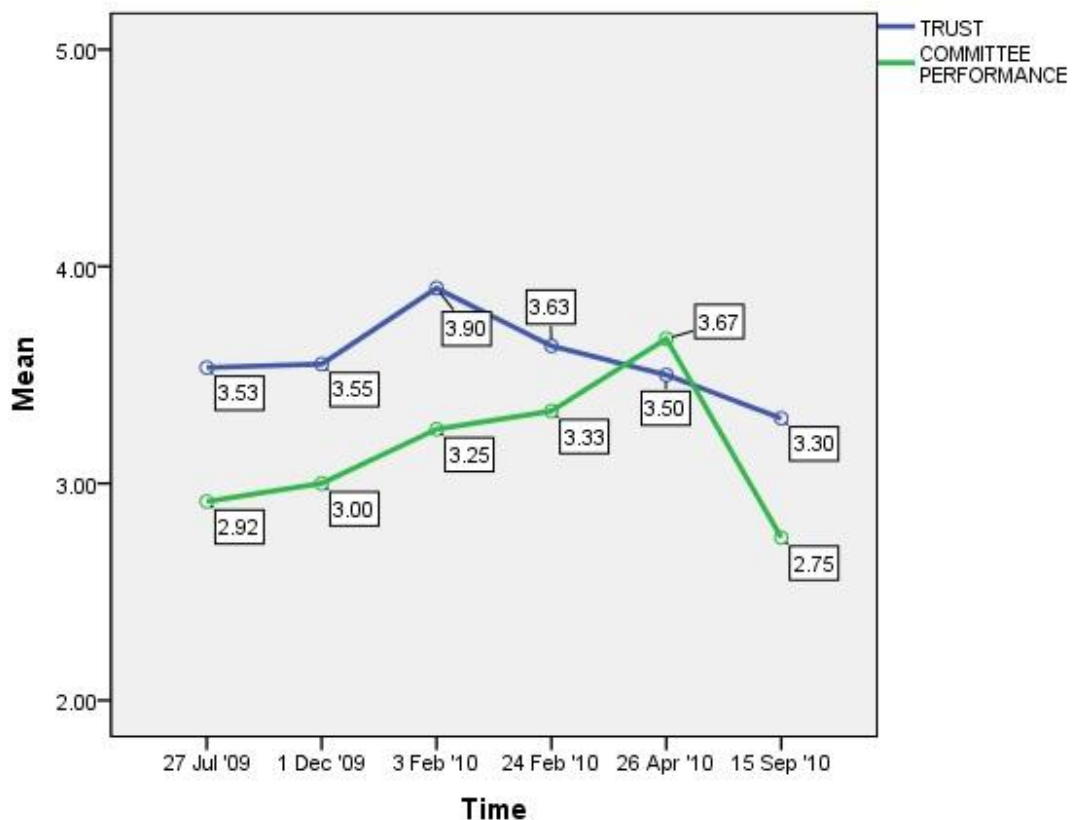


*Disclosure: 1=Not at all willing; 2=Not very willing; 3=Somewhat unwilling; 4=Willing; 5=Completely willing*

The growing levels of management's willingness to disclose information are not surprising as disclosure does not mean consultation, just information sharing, which they are willing to do. Information sharing will be discussed in the justice section of this chapter.

Figure 8.8 below shows a comparison of management's level of trust and committee performance perceptions during fieldwork.

**Figure 8.8:** Management representatives' perceptions of trust and the NICF's performance over time.



*Trust: 1=Not at all willing; 2=Not very willing; 3=Somewhat unwilling; 4=Willing; 5=Completely willing*  
*Committee Performance: 1=Very low; 2= Low; 3=Acceptable; 4=High; 5=Very high*

The similar patterns observed for employee representatives cannot be observed here. This is not entirely surprising. In a sense, management have no reason to be dissatisfied with the performance of the forum as it fulfils their expectations (information and communication mechanism). The drop observed in the 15<sup>th</sup> September 2010 meeting can also be explained. This was an information-only meeting about the latest restructure, where minimal interaction was observed between employee and management representatives and as such made no contribution to management.

## Summary

The preceding section has presented data on the evolution of trust in the ECC at different stages of its operation. Evidence, mainly interviews and survey data, indicate that different levels of trust are the result of an expectation mismatch concerning consultation which was formed mostly during training and at the first meeting. The mismatch occurred due to positive expectations formed by employee

representatives and lower expectations by management representatives, which were also undermined by their scepticism about employee representatives' abilities and integrity. Essentially, at the moment fieldwork stopped, there was no sense of involvement in the decision making process from employee representatives.

EMT has not been willing to assume the necessary risks of consultation and share control of the decision-making. According to MR8, if EMT do not take the risk first and start consulting with employee representatives, then they will not have a chance to demonstrate their trustworthiness.

The reluctance of employee representatives to speak out and express their opinions even when they are challenging is also a big issue as it leads to lower levels of trust from management. This reluctance is sometimes interpreted as apathy, which is evidence of lack of benevolence, and other times as not knowing what their role is and not having the necessarily skills to do the job, which is evidence of lack of ability.

It is important to note at this stage that while interview responses suggest low levels of trust, survey responses do not suggest the same, especially for employee representatives. As it was pointed out earlier, this can be due to the fact that interviews captured employee representatives' opinions about the EMT in addition to comments about management representatives. The surveys, on the other hand, were focused on trust perceptions relating to employee and management representatives only.

## JUSTICE

In this section an analysis of evidence of perceived fairness or unfairness levels at every stage of the ECC's operation is provided.

### Pre-voice history

Coming to the HT from an organisation with a union presence, HT's employees were used to having a 'voice' mechanism in place. By creating the ECC and providing a committee through which employees can express their views, management were seen as procedurally just:

*'I think everybody got a bit frustrated because they had no part in actually what to do in the company, with the ECC now, they actually have a voice'. (ER19)*

*'So to be honest with the Trust taking the approach it has that we don't need a recognised union, but we are a voice that I think personally we're still heard, and to be honest they are very fair, I feel we are listened to'. (ER17)*

---

The decision to create the ECC seemed to set a positive precedent in terms of procedural and distributive justice. Procedural fairness because now employees had a 'voice' mechanism and distributive because, even though HT did not recognise a union, it provided an alternative for employees that had asked for one.

However, an issue that could, and did create misunderstanding was that the ECC was presented not just as an alternative, but also as a committee that is equal to a union. This created expectations about the process (union-style joint consultation) that were not met. Most of the employees only realised the ECC is not acting as a union after training. This is highlighted in the following quotes:

*'I suppose one of the issues was because the Council recognised a trade union, and HT suddenly decided not to, then we had to realise that, or the other guys who were a part of the trade union had to realise well no it doesn't work like that anymore and that's very much what training set us up for anyway'. (ER21)*

*'The ECC came along and I think by that time it was perceived it was going to be a continuation of the union, that they would stand up and fight and it hasn't been like that'. (ER22)*

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## Design

In the ECC's case, the terms of reference failed to set realistic expectations. The only area which is clear is the ECC's membership, while the rest are only vaguely identified, if at all.

From the beginning, when terms of reference were designed, by not including employees in this procedure, management did not give them an opportunity to express their views about the process:

*'I think maybe that would have been a good idea because the whole point of the committee is that the employees voice their opinion so they should've been involved in the setting up of it in the first place'. (ER16)*

---

A lack of clarity especially about the role and purpose of the committee, what issues can be brought to the table, and what issues are 'consultative' or 'informative' is a problem recognised by most employee (n=6) and management (n=2) representatives. This is a procedurally unfair situation, in that the processes of the meetings are not based on accurate information. Quotes coded for PJ include the following:

*'Just a bit of uncertainty about what our role is'. (MR8)*

*'I think there is a lack of understanding all round really, what the employee consultative committee is about, the type of things it can be utilised for and how they do that'. (MR7)*

*'There's still confusion as to what we're meant to be covering. I still don't think our role is very clear, I'm certainly not clear of it if I'm being honest'. (ER22)*

*'I think there are quite a few people who don't know what they can bring to the ECC and what they can't. Maybe it's about clarifying that'. (ER21)*

*'I just don't think we fully understand the role and I don't think we fully, not exploit the role, but go into the role and do what's needed'. (ER20)*

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If terms of reference were clearer, that would give employee representatives more freedom to challenge issues and express their views and perceive the ECC as more procedurally just. As ER22 point out:

*'I would hope that they [management] would understand that that's the role of the panel, if that's been made very clear, that's the terms of reference for them to be challenging'. (ER22)*

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## Agenda

This lack of clarity appears to have had a substantially negative impact on the ECC's agenda. When employee and even management representatives are not clear about what sort of issues they can bring to the table, then it is more likely for employees to not suggest items and for meetings to be cancelled when neither management nor employees put anything on the agenda. This is procedurally unfair as this process is not based on accurate information about what can go on the agenda and what cannot and also leads to fewer opportunities for employees to express their views about issues:

*'I'm tearing hair out trying to find things to put on this agenda. That's not happening so it ends up being kind of manufactured rather than for need and that's happened the last 2 -3 times now'. (ER21)*

*'From sitting in HR I know there are loads and loads and loads of issues and loads of things going on, some of which could be taken to the ECC but they [the issues] don't go there. So again I think it's around that clarity of what would be appropriate to bring and what isn't'. (MR8)*

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Another issue with the agenda identified by employee representatives is the lateness of the material for the meetings. While the agenda is usually set two weeks before the actual meeting, it is often the case that the relevant material does not reach the members till the day before or even at the meeting, especially for ad-hoc meetings. 'Communication of details in a timely manner' is an informational justice element that is lacking in this committee. This is observable in the following quotes:

*'We would have information attached to what we need to read before the ECC and then it would come at 5 o'clock the night before so you'd have an hour in the morning to read it. And I did mention that once again glossed over, you know, blind shutters come down'. (ER21)*

*'So we're given some papers the day before and expected to understand this. I personally wasn't sure how I could quickly take that on and understand all the information, understand the impact and make valuable comments on it. I can't contribute properly'. (ER22)*

*'I think what should be happening is you should be given the information, there should be time set aside for just the committee to meet, to look at the information and then the actual committee meeting with EMT and then discuss it, go forward. A lot of the time is that subject contents aren't given enough time for them to digest'. (ER20)*

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But fairness cannot solely rely on the design. This is not enough for the ECC to be effective. As ER21 points out:

*You can have as many rules as you like, that's not necessarily going to make it work. We still have nothing to go on the agenda. (ER21)*

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The ECC needs to be perceived as a fair committee at later stages as well, at stages where the members choose or not to apply the rules.

## **Preparations**

Training can be a source of information and procedural justice evidence, in the sense that it can provide representatives with the necessary accurate information about procedures, and explanations about how the committee should operate, what its purpose is and what is the representatives' role. As shown from the quotes below, the training fulfilled that role:

*'Somebody came in to teach us what our roles would be and how we would go about telling people things, it was really informative, it was really good'. (ER19) -IFJ*

*'It was very good. He talked about what is your role as a member, what difficulties you might encounter when you're on the panel, making sure that the things that you put on the agenda and the things you talk about are meaningful things. Talked about things that we could implement and those sorts of things'. (MR8) -PJ*

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However, training can create false expectations on distributive justice, especially if it is not joined by management, not giving them the opportunity to confirm those expectations. Training presented option-based consultation as a major operation of the committee. This operation did not become a reality in the ECC and was perceived as distributively unfair:

*'The expectations I had were from when we had this chap in, and I thought we'll be asked to sit down and talk with the management and stuff like that but you don't, it's all listening. It's not fair, it's not what they said it would be or not what the training chap said it would be'. (ER18)*

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## First meeting

Evidence of fair treatment in the first meeting will influence participants' decision to behave cooperatively within the ECC. During the first meeting representatives will look for evidence of interpersonal, informational and procedural fairness in order to form an opinion about the ECC.

All of the interviewees (n=10) expressed their satisfaction with the first meeting in terms of treatment and information and explanations they received about how the ECC would operate. Concerning treatment and interpersonal justice, all representatives said they were always treated with respect:

*'To be honest the position in the company was left outside the room. We were all individuals, all coming together with one aim. I think that really stuck out straight from day one. If you walked in there a stranger you would have thought, we're all the same level'. (ER17)*

*'It was good, it was kind of, we thought it would be, managers one end and directors all separate but in the meeting you just seem as one level, you don't seem, see the hierarchy of it all so it is really good. (ER19)*

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This is also the meeting where, for the first time, the design is put to the test and first signs of procedural and informational justice appear, as it can be observed by the following quotes:

*'It was a good meeting, these are the things in the agenda, presentations were done, and there was a chance for questions and some good questions were raised so hopefully it had an influence'. (ER22) – PJ.*

*'Giving people a sense of place; understanding what this committee was; what its powers are; what's its terms of reference are; what their role is going to be'. (MR6) – IFJ.*

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## Subsequent meetings

The momentum that was formed during the training and the first meeting was not maintained. In subsequent meetings, employee representatives' expectations mainly about procedural and distributive justice were not realised.

As shown in the narrative section, there were four issues that were identified by the participants, mainly employee representatives, as influential in their perceptions of the effectiveness of the

committee and with implications for fairness perceptions in the committee. The intranet report will be discussed separately, mainly because of its implications for interpersonal and distributive justice. The 'operatives contracts', 'caretakers salary', 'pay reviews' and the 'property and development restructure' will be used as the major examples of lack of consultation and the impact this had on perceived informational, procedural and distributive justice.

### *Intranet Report*

The intranet report became an issue that appeared to damage the perceived interpersonal, procedural and distributive fairness of the Chair of the ECC (MR6). By failing to address the issue and take action, even though it was brought to three different meetings prior to the intranet report and prior to it being a formal agenda item, the Chair (MR6) failed to apply consistent procedures about the issue or, when it appeared in the agenda, provide accurate information on how this issue should be dealt with:

*'MR6 was obviously bringing the message from EMT, which was "this is not the way that we do things". But that's OK, that's fine, and I do understand that to a point, but then what we have to say is well how do we do things then? And that bit we haven't yet resolved.'* (MR8) – PJ.

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MR6's dismissive behaviour also damaged perceived interpersonal fairness. However, most severe was the impact it had on perceived distributive justice. ER21 had worked hard to prepare the report, only to hear that this was not appropriate:

*'I brought the report, which I felt was quite positive, had lots of recommendations in there, how we can make this work, everyone else who read it said it was very positive, it was really good, I took it to the ECC and all that happened I was told off for doing something'.* (ER21) – IPJ and DJ.

*'The reaction by the individual was to feel quite demotivated and to feel that actually I'm not going to bother in the future to put things forward... I thought it was unfair because I thought it was, I did see the report and I thought it was quite well considered'.* (MR8) – DJ.

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## *Lack of consultation*

The major problem of the ECC in terms of fairness, mostly procedural, informational and distributive, has to do with lack of consultation. Negative perceptions of procedural fairness are created when a decision is made that employees considered they should be consulted on, and then they do not get the chance to either express their views, influence the outcome or appeal that decision. It can also be considered as lack of consistency in terms of process when the only item that is clarified in the Terms of Reference as being 'consultative' in reality never is; this is the 'pay reviews' annual meeting. The following are a number of quotes showing lack of opportunities for employee representatives to express views and feelings, influence outcomes and appeal decisions:

*'I can't wait to get out of it and someone else has a go at it because to be brutally honest, anything I brought up they just sort of said "no".'* (ER18)

*'I think the role is to be this consultative forum, to be the voice of employees when things are considered, fair and equal processes is the whole idea. But I don't know whether we got the power to sway decisions, I'm not sure about the influence the committee has.'* (ER22)

---

Consultation itself can be considered an outcome, an achievement of the committee. When consultation items do not reach the committee, it can be considered as low distributive justice. When employee representatives are making an effort, bringing issues to the ECC for consultation, and consultation does not happen, this is distributively unfair. The following quotes highlight this:

*'Every time I try to do something it hasn't come to fruition or I've never had feedback from it. Nothing gets done from what you suggest, not so from my point of view, what I've brought up, nothing's been done.'* (ER18)

*'I know that one member, ER18, he brought an issue before and was quite passionate about it saying that he didn't think it was taken seriously. And a few times I've mentioned something and it was just glossed over.'* (ER21)

---

During the interviews, all representatives, employee and management, said that they recognised the value of being given explanations about decisions. These explanations provide evidence of informational justice. When such explanations were not given or were not satisfactory, they reacted more badly to the news of a new decision than when they received explanations about it:

*'As long as you get an explanation as to why, whether that is good or bad, as long as you get a full explanation and the reasons I think it's acceptable'. (ER17)*

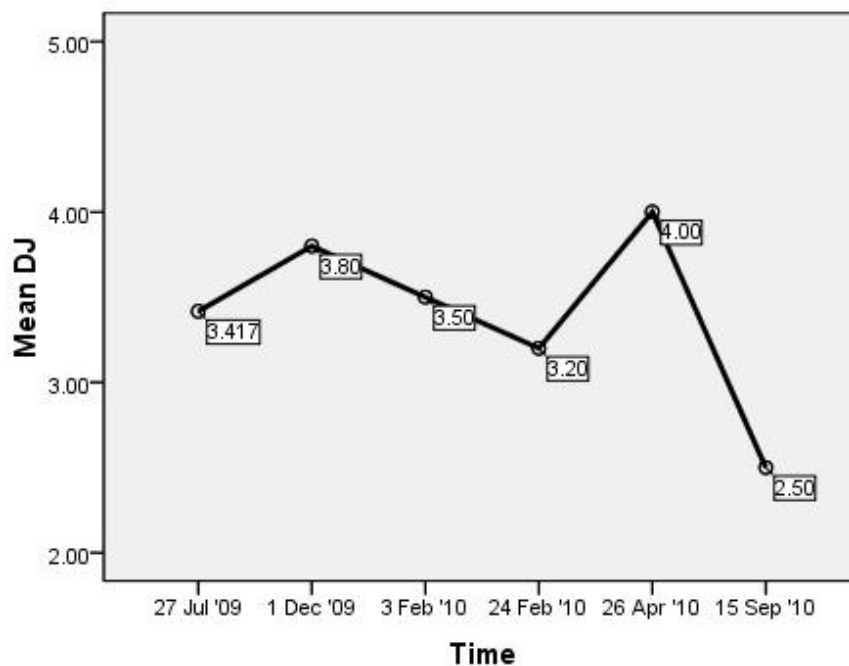
*'I don't like it; I'd like at least to be given the reason. I don't think it's right, I don't know whether they do it as they haven't got any, or they can't be bothered, or perhaps they don't have an explanation, or they don't want to say "this is it take it or leave it". That's the sort of impression we get, or I get, but it's not actually said'. (ER18)*

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### The employee representatives perspective: 27<sup>th</sup> July 2009 – 15 September 2010

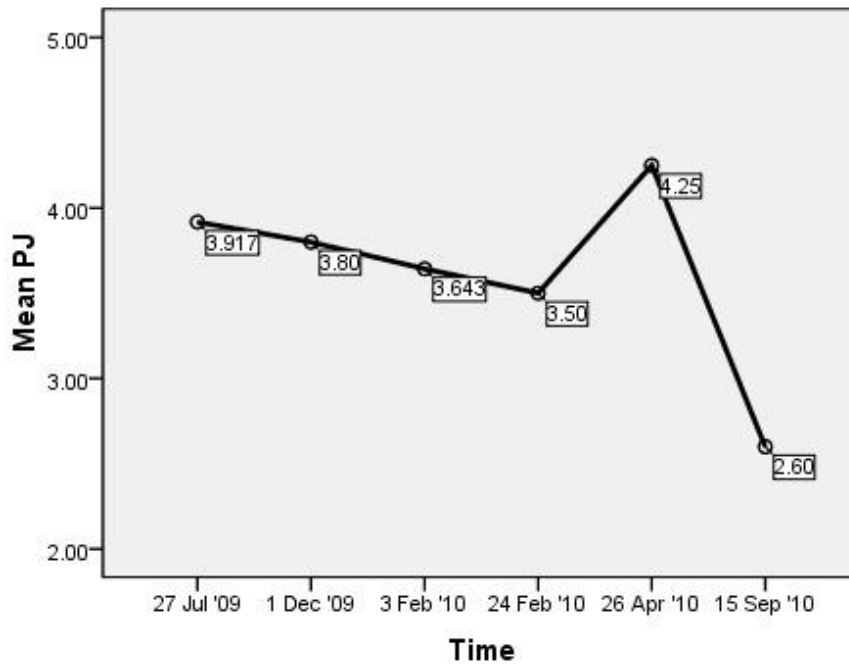
The figures that follow (Figures 8.9 – 8.12) show employee representatives' perceptions of fairness for all dimensions from July 2009 (when fieldwork started and the first survey was distributed) until September 2010 (when fieldwork finished).

**Figure 8.9:** Employee representatives' perception of Distributive Justice (DJ) over time.



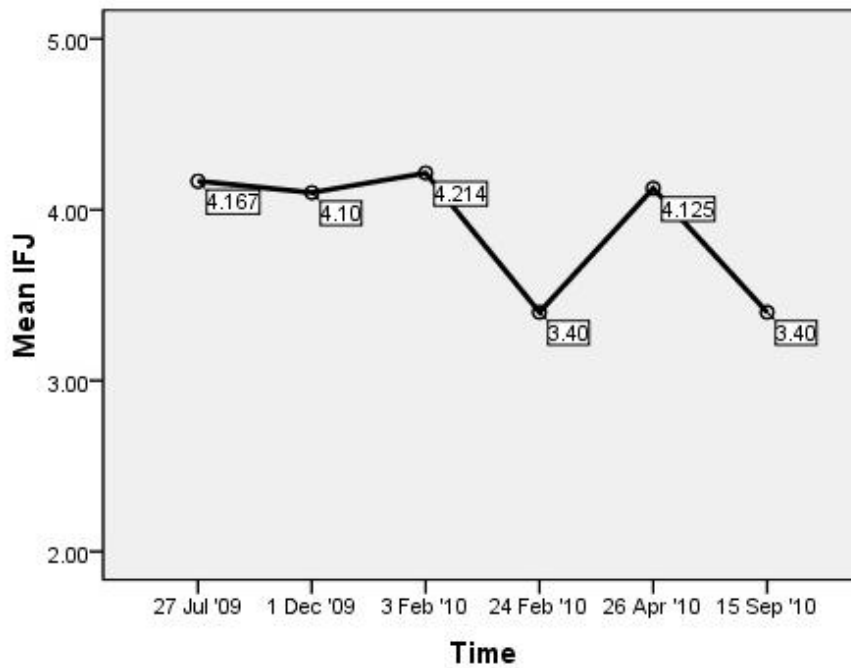
1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree

**Figure 8.10:** Employee representatives' perception of Procedural Justice (PJ) over time.



1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree

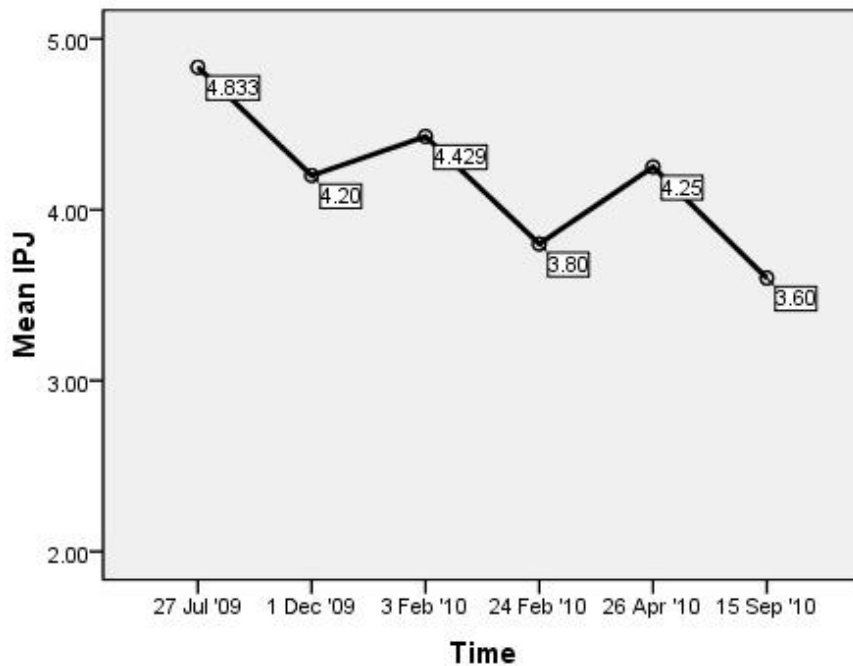
**Figure 8.11:** Employee representatives' perception of Informational Justice (IFJ) over time.



1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree



**Figure 8.12:** Employee representatives' perception of Interpersonal Justice (IPJ) over time.

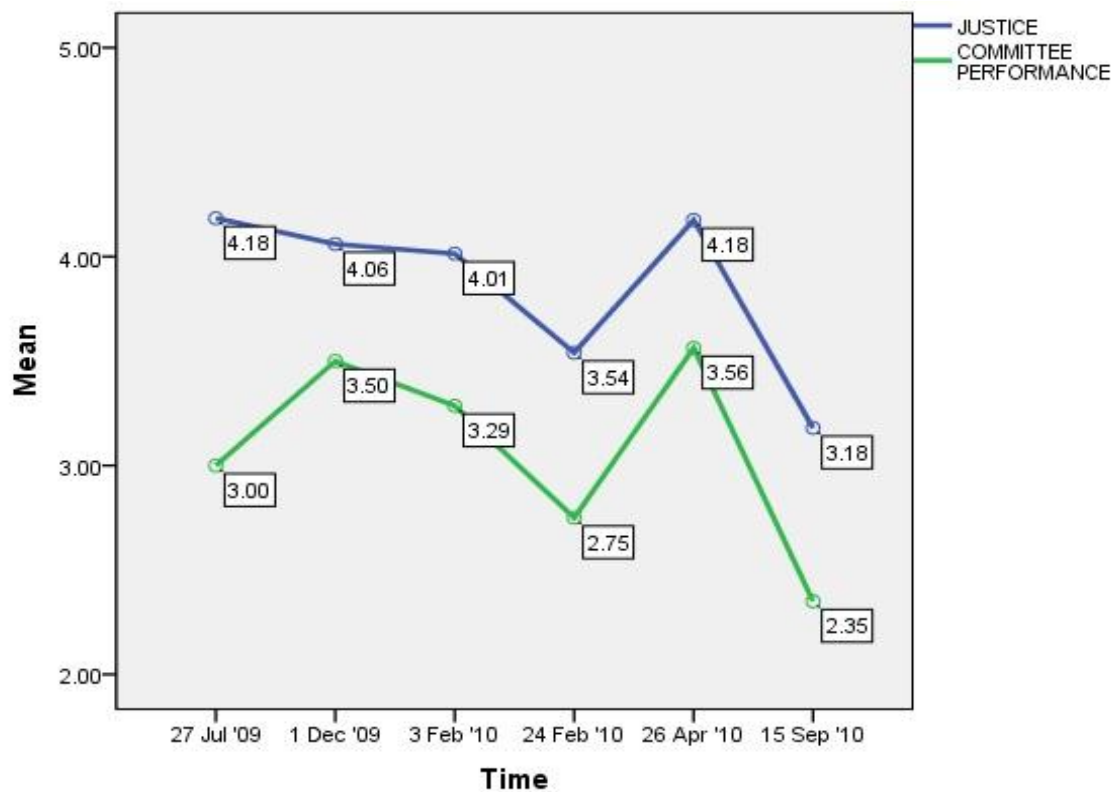


1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree

One can observe that all dimensions fluctuate between meetings, hitting the lowest points at the 24<sup>th</sup> February 2010 (pay reviews) and 15<sup>th</sup> September 2010 (restructure) meetings, with the drop being quite significant for procedural and distributive justice (1.65 and 1.5 respectively) from the 26<sup>th</sup> April 2010 to the 15<sup>th</sup> September 2010 meetings. An explanation for this could be that April was a meeting with two items in the agenda, which were both 'consultative', at a point where final decisions were not made yet about those issues (minutes of meeting and observation notes), and September was the last-minute ad-hoc meeting, announcing an already decided restructure.

Figure 8.13 below shows a comparison of employee representatives' justice and committee performance perceptions during fieldwork. The similar patterns that can be observed here suggest a positive relationship between justice and committee performance perceptions.

**Figure 8.13:** Employee representatives' perceptions of overall justice and the ECC's performance over time.



*Justice: 1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree  
 Committee Performance: 1=Very low; 2= Low; 3=Acceptable; 4=High; 5=Very high*

The figure (Figure 8.13) is almost identical to the DJ line in figure 8.9 and quite similar to the other three justice lines (Figures 8.10 – 8.12). Especially for the last four meetings, the progress is identical with all four dimensions. This suggests a close relationship between employee representatives' perceptions of fairness and the ECC's performance. Similar to all justice figures the ECC's performance lowest points are at the 24<sup>th</sup> February 2010 (pay reviews) and 15<sup>th</sup> September 2010 (restructure) meetings with the drop being quite significant (1.38) from the 26<sup>th</sup> April 2010 to the 15<sup>th</sup> September 2010 meetings.

A close relationship between fairness perceptions and perceptions of effectiveness is suggested by representatives' answers to the open-ended question 'please tell us what you think could be improved about this committee, and how it is working'. Out of eight responses after the 27<sup>th</sup> July 2009 meetings, five of them were about procedural justice:

*'The committee could be involved in the decision process from an early stage' (ER20)*

*'Less meetings cancelled and less ad-hoc booked' (ER17)*

*'Regular meetings' (ER21)*

*'A structured set of guidelines for the representatives would provide a path in which they should follow pre and post meetings' (MR7)*

*'Perhaps members need structured time to enable them to discuss issues with colleagues and understand issues'. (MR6)*

---

After the 1<sup>st</sup> December 2009 meeting, out of five responses to the same question, three were again about procedural justice...

*'Be clearer about the role of the ECC'. (MR8)*

*'Clearer terms of reference'. (MR6)*

*'Be involved in more decisions and issues'. (ER20)*

---

And two were about informational justice...

*'Communication from all employees to the group and vice-versa'. (ER16)*

*'All users/steering groups communicating with each other'. (ER17)*

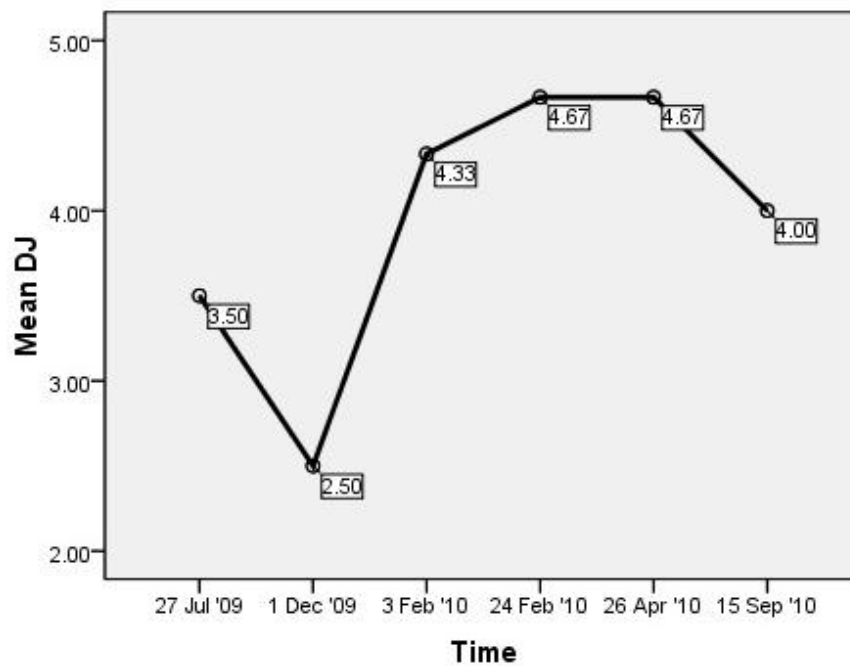
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Similarly, after the 3<sup>rd</sup> February 2010 meeting, out of seven responses, five were about procedural justice, all along the same lines as the previous times. For the last three meetings responses drop to four (24<sup>th</sup> February 2010), and three (26<sup>th</sup> April 2010, 15<sup>th</sup> September 2010). Management responses for these meetings are about employee representatives' reluctance to contribute (mentioned earlier in the 'trust' section of this chapter). It is worth mentioning ER21's response after the 'pay reviews' meeting (24<sup>th</sup> February 2010), showing her complete disappointment: *'I don't know the answer to that question anymore'*.

## The management representatives perspective: 27<sup>th</sup> July 2009 – 15 September 2010

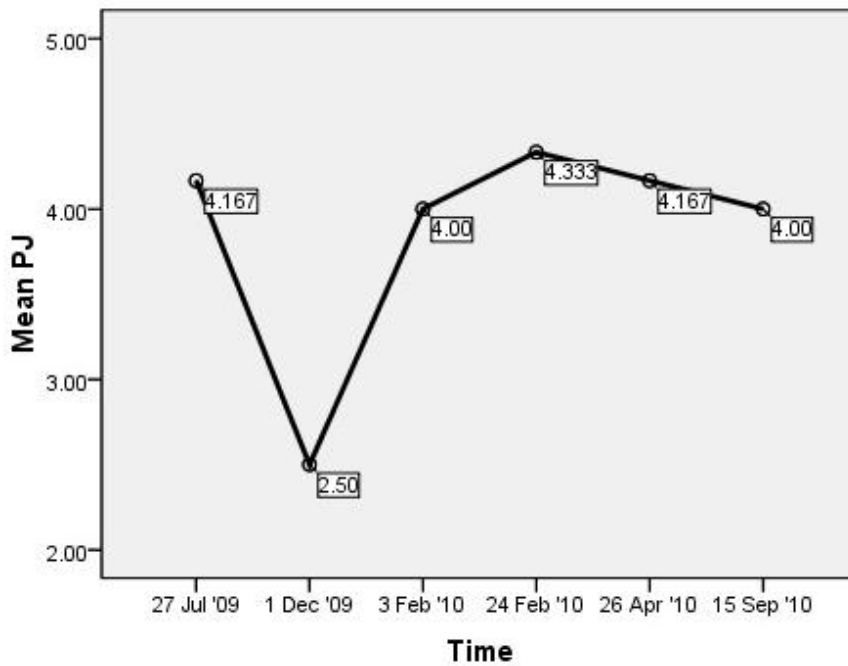
The figures below (Figures 8.14 – 8.17) show management representatives' perceptions of fairness for all dimensions from July 2009 (when fieldwork started and the first survey was distributed) until September 2010 (when fieldwork finished).

**Figure 8.14:** Management representatives' perceptions of Distributive Justice (DJ) over time.



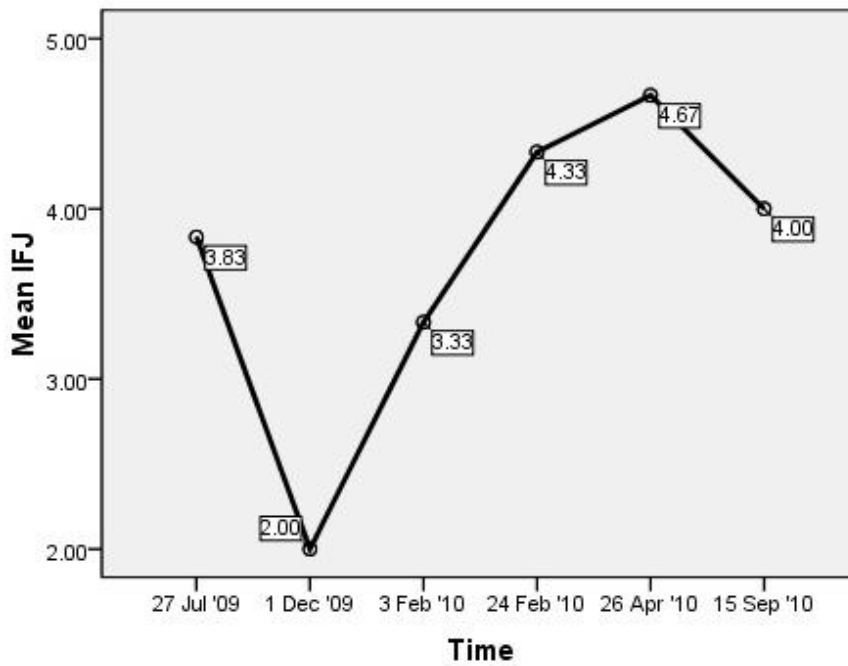
1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree

**Figure 8.15:** Management representatives' perceptions of Procedural Justice (PJ) over time.



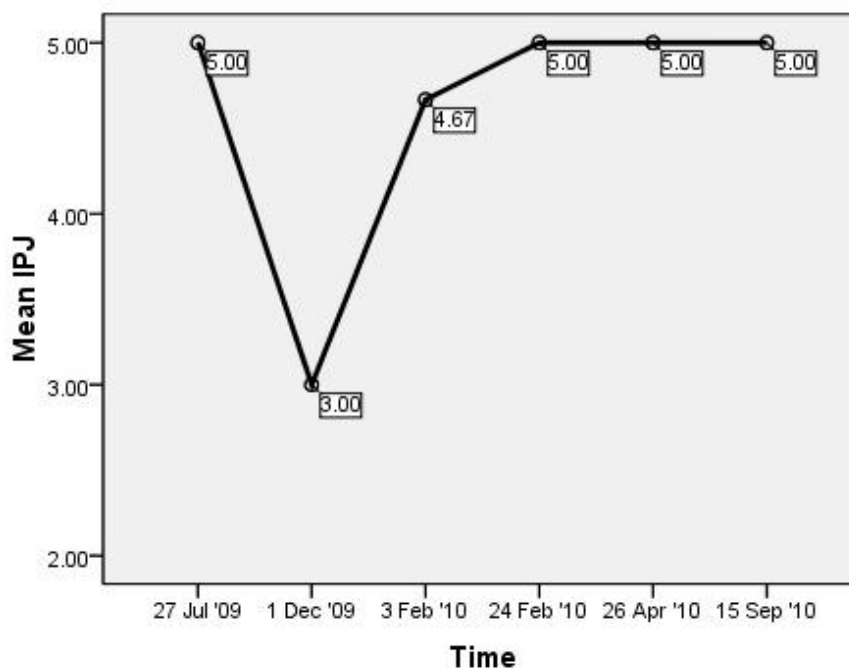
1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree

**Figure 8.16:** Management representatives' perceptions of Informational Justice (IFJ) over time.



1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree

**Figure 8.17:** Management representatives' perceptions of Interpersonal Justice (IPJ) over time.

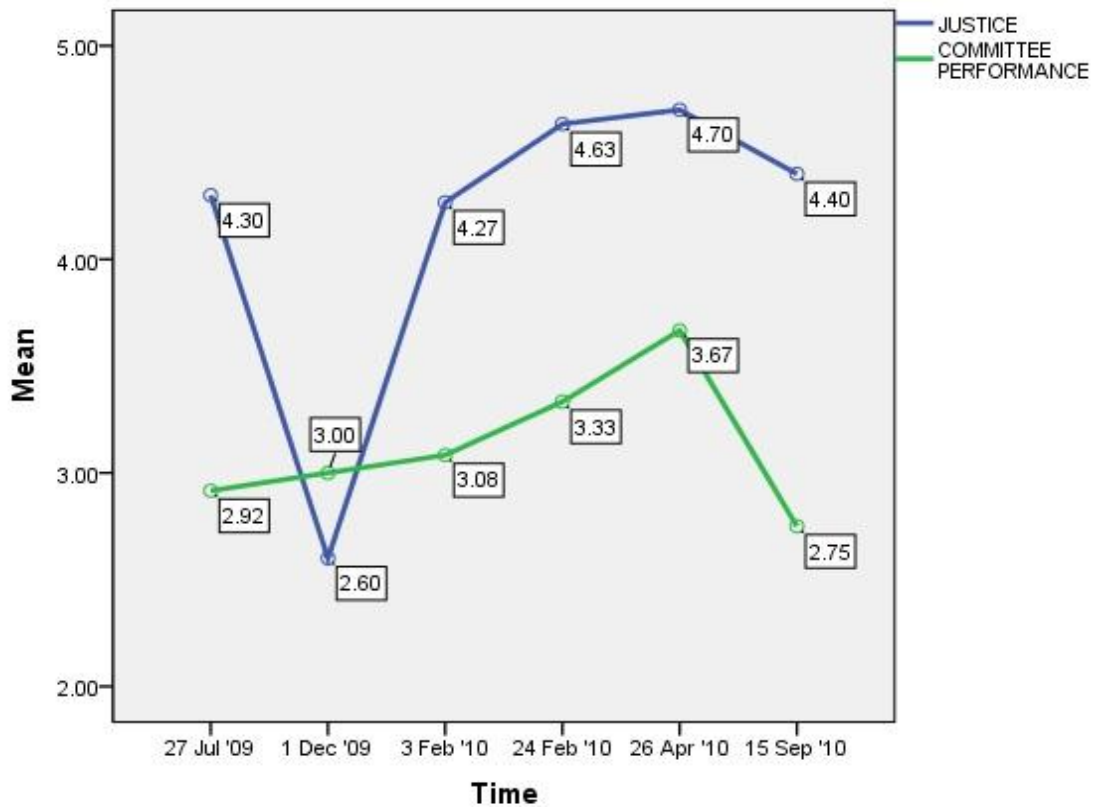


1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree

What can be observed from these graphs is that discounting the 1<sup>st</sup> December 2009 meeting, management representatives' perceptions of fairness are high for all dimensions. The big drop observed in December can be explained by the 'car parking' issue that was presented during the AOB slot. As explained in the narrative, the HR Manager (MR8) brought an issue for consultation to the representatives concerning alternatives to the existing car parking policy, only to get a few impractical comments. At this meeting MR6 and MR8 attended. Standard deviation for their responses was 2.12 for DJ, 2.12 for PJ and 2.83 for IPJ, there was no deviation for IFJ. This illustrates a rather significant disagreement between MR6's and MR8's scores, suggesting that for that meeting the two managers had rather different opinions about distributive, procedural and interpersonal fairness.

Figure 8.18 below shows a comparison of management representatives' justice and committee performance perceptions during fieldwork.

**Figure 8.18:** Management representatives' perceptions of overall justice and the ECC's performance over time.



*Justice: 1=Strongly disagree; 2= Disagree; 3=Neither agree nor disagree; 4= Agree; 5=Strongly agree*  
*Committee Performance: 1=Very low; 2= Low; 3=Acceptable; 4=High; 5=Very high*

Contrary to the employee representatives' perceptions, the figure above suggests that there is no significant relationship between management representatives' perceptions of fairness and their perceptions of the ECC's performance. For the majority of the meetings, management is not satisfied with the committee's performance even though they are generally very satisfied with the fairness of the committee. This suggests that other factors, which cannot be accounted for, have more influence over management's perceptions of the committee's performance.

Furthermore, the difference between employee and management representatives' perceptions of fairness suggests that there is an expectation mismatch between them. Employee representatives' expectations are not realised leading to a drop in their perceptions of fairness, while on the other hand, management representatives' expectations are realised and this is demonstrated in their positive perceptions of fairness.

## **Summary**

The preceding section has presented data on the evolution of fairness perceptions in the ECC through each stage. Evidence (interviews and survey data) suggest that changes in fairness perceptions are the result of employee representatives' unrealised expectations concerning consultation formed at the early stages of the forum, due to the positive experience from training and the first meeting.

What can also be observed is that perceptions of procedural and distributive justice seem to be significantly affected by the items on the agenda for every meeting. In particular, whether those items are 'information-only' or consultative items, whether employee representatives believe that 'information-only' items should actually be consultation items and management's reaction to items brought to the ECC by employee representatives for consultation (i.e. whether they consult or dismiss the item). Employee representatives perceive the process of decision-making and outcome to be fair, the more consultation items there are in the agenda. This, in turn, has an impact on the perceived effectiveness of the forum.



## **GENERAL REMARKS**

In this section data are presented that show the positive relationship between trust, justice and the forum's performance.

The impact of perceptions of trust and justice on the members' perceptions of usefulness, performance, industrial relations climate, and partnership can be seen on the table below (table 8.5). It is a summary of all scores (means) from the 27<sup>th</sup> July 2009 until the 15<sup>th</sup> September 2010 meetings. All categories for employee representatives show a decline between July 2009 and September 2010, with procedural and distributive justice being significantly affected (1.32 and 0.92 respectively). After the September 2010 meeting, all justice dimensions, industrial relations climate, performance and partnership reach their lowest point, with usefulness being at the second lowest. This parallel progression indicates a close positive relation between perceptions of fairness and industrial relations climate, performance and partnership.

However, the case for management is different. While fairness perceptions are high after the September 2010 meeting, this is not reflected in the scores for industrial relations climate, performance and partnership. On the contrary, these variables score at the lowest point on that meeting. Only trust reaches the lowest point at the same meeting. Additionally, fairness perceptions and usefulness reach the lowest point after the December 2009 meeting. Nevertheless, one needs to be cautious interpreting these scores because of the low number of respondents. As there are only three management representatives, who do not attend all the meetings (three attended the 27<sup>th</sup> July 2009, two the 1<sup>st</sup> December 2009, three the 3<sup>rd</sup> and 24<sup>th</sup> February 2010 and 26<sup>th</sup> April 2010, and one the 15<sup>th</sup> September 2010), any kind of interpretation drawn from these data needs to be treated with caution.

**Table 8.5:** Scale items progression over time.

		Trust	SD	DJ	SD	PJ	SD	IFJ	SD	IPJ	SD	IR Climate	SD	Usefulness	SD	Performance	SD	Partnership	SD
<b>27 Jul '09</b>	MR	3.53	0.32	3.5	1.5	4.17	0.76	3.83	1.61	<b>5</b>	0	3.5	1.07	4.33	0.58	2.92	0.29	3.17	1.61
	ER	<b>4.2</b>	0.48	3.42	0.8	3.92	0.8	4.17	0.52	<b>4.83</b>	0.41	3.81	1.07	<b>3.17</b>	1.33	3	1	3.5	1.52
<b>1 Dec '09</b>	MR	3.55	0.07	<b>2.5</b>	<b>2.12</b>	<b>2.5</b>	<b>2.12</b>	<b>2</b>	0	<b>3</b>	<b>2.83</b>	3.5	1.06	<b>4</b>	0	3	0.35	3	1.41
	ER	4.18	0.36	3.8	0.45	3.8	0.45	4.1	0.74	4.2	0.84	3.67	0.26	3.6	0.96	3.5	0.71	3.7	0.45
<b>3 Feb '10</b>	MR	<b>3.9</b>	0.28	4.33	0.29	4	0	3.33	1.15	4.67	0.58	3.69	0.97	4.33	1.15	3.08	0.29	3.33	1.53
	ER	3.49	0.81	3.5	0.7	3.64	0.94	<b>4.21</b>	0.81	4.43	0.53	3.14	0.58	4.14	0.69	3.29	0.87	3.14	0.63
<b>24 Feb '10</b>	MR	3.63	0.15	<b>4.67</b>	0.58	<b>4.33</b>	0.58	4.33	0.58	<b>5</b>	0	<b>3.92</b>	1.01	<b>5</b>	0	3.33	0.88	3.33	1.53
	ER	<b>3.34</b>	0.82	3.2	1.15	3.5	0.58	3.4	1.14	3.8	0.45	2.97	1.12	3.4	1.34	2.75	0.68	3	1.22
<b>26 Apr '10</b>	MR	3.5	0.1	<b>4.67</b>	0.58	4.17	0.76	<b>4.67</b>	0.58	<b>5</b>	0	3.83	1.19	<b>5</b>	0	<b>3.67</b>	0.88	<b>3.67</b>	1.53
	ER	3.9	0.2	<b>4</b>	0.82	<b>4.25</b>	0.96	4.12	0.85	4.25	0.96	<b>3.94</b>	0.31	<b>4.5</b>	0.58	<b>3.56</b>	0.51	<b>4.12</b>	0.25
<b>15 Sep '10</b>	MR	<b>3.3</b>	-	4	-	4	-	4	-	<b>5</b>	-	<b>2.75</b>	-	<b>5</b>	-	<b>2.75</b>	-	<b>2.5</b>	-
	ER	3.46	0.8	<b>2.5</b>	1	<b>2.6</b>	1.14	<b>3.4</b>	0.42	<b>3.6</b>	0.55	<b>2.8</b>	0.85	3.3	1.3	<b>2.35</b>	0.67	<b>2.4</b>	0.89

Bold font: **Highest values**

Red font: **Lowest values**

Values within bordered cells indicate the meeting with the highest and lowest values for the majority of variables.

Mean, standard deviations, correlations and alphas for the case variables are reported in table 8.6. All scales had alphas greater than .7 with IPJ at 1.00. What is important to observe here is that distributive, procedural and informational justice are significantly and positively related to industrial relations climate, usefulness, committee performance and partnership. Trust is significantly and positively related with industrial relations climate, committee performance and partnership. However these findings should be used with caution as the small sample size does not permit much generalizability.

**Table 8.6:** Means, Standard Deviations, Reliabilities and Correlations Among the Study Variables

Variable	Mean	Standard deviation	1	2	3	4	5	6	7	8
1. Gender	.64	.48	-							
2. Age	40.36	8.05	-.37**	-						
3. Tenure	5.55	3.37	-.10	.44***	-					
4. Positive Mood	2.85	1.08	-.17	.20	.44**	.87				
5. Negative Mood	1.37	.73	.31*	-.25	-.24	-.31*	.88			
6. Industrial Relations Climate	3.45	.86	-.35*	.21	.36*	.45**	-.39**	.94		
7. DJ	3.59	1.02	-.09	.27	.30*	.53***	-.23	.51***	.90	
8. PJ	3.71	.93	-.06	.32*	.48**	.50***	-.13	.59***	.80***	.84
9. IFJ	3.87	.92	-.20	.23	.39**	.51***	-.26	.48**	.43**	.51***
10. IPJ	4.36	.84	.08	.42**	.20	.32*	-.02	.07	.56***	.63***
11. Trust	3.70	.59	-.12	.13	.34*	.45**	-.24	.64***	.32*	.50***
12. Usefulness	3.97	1.06	-.17	.33*	.19	.68***	-.24	.43**	.53***	.43**
13. Committee Performance	2.94	.84	-.25	.13	.50***	.70***	-.19	.68***	.55***	.57***
14. Outcome Satisfaction	3.75	.98	-.50**	.28	.18	.30	-.46**	.67***	.50**	.32
15. Partnership	3.28	1.09	-.33*	.04	.34*	.49***	-.33*	.90***	.44**	.49***

\*  $p < 0.05$ ; \*\*  $p < 0.01$ ; \*\*\*  $p < 0.001$ .

$N = 66$ .

Note. Scale reliabilities are on the diagonal.

(table continues)

Variable	9	10	11	12	13	14	15
9. IFJ	.88						
10. IPJ	.49***	1.00					
11. Trust	.25	.13	.89				
12. Usefulness	.38**	.28	.19	.83			
13. Committee Performance	.46**	.12	.48**	.58***	.86		
14. Outcome Satisfaction	.11	.02	.44**	.18	.38*	.72	
15. Partnership	.47**	-.07	.56***	.42**	.74***	.54**	.90

\*  $p < 0.05$ ; \*\*  $p < 0.01$ ; \*\*\*  $p < 0.001$ .

$N = 66$ .

Note. Scale reliabilities are on the diagonal

The importance of trust and fairness, but also the EMT's role in the effectiveness of the committee can also be observed from the open-ended section of the questionnaire, where participants were asked to identify the strongest influences on the effectiveness of the committee. The table below (Table 8.7) shows coding frequencies for this question and sample quotes in the total of 35 responses from six meetings and 10 participants. EMT support and management representatives' benevolence are mentioned most with management representatives as a group and their IFJ, the committee's PJ and consultation (distributive justice) coming next.

**Table 8.7:** Sample quotes and coding frequencies of the strongest influences for the forum’s effectiveness.

Code	Sample quote	27 <sup>th</sup> Jul '09	1 <sup>st</sup> Dec '09	3 <sup>rd</sup> Feb '09	24 <sup>th</sup> Feb '09	26 <sup>th</sup> Apr '10	15 <sup>th</sup> Sept '10	Total
<b>EMT support</b>	'EMT need to openly support and be involved in the role of the committee.' – MR8	1	1	3	2		1	8
<b>MR Benevolence</b>	'Chairmanship and support from MR6.' – ER22		1	1	2	2		6
<b>Management Representatives</b>	'The leadership of the group.' – ER20		1	2		1		4
<b>MR's IFJ</b>	'MR6 and HR (MR8) – they are the ones who have any information.' – ER21			1	1	1	1	4
<b>Integrity</b>	'Good, honest, open relationship between management and employees.' – MR6	1		1		1		3
<b>PJ</b>	'The committee is highly management led and effective to convey their requirements.' – ER23	2		1				3
<b>DJ/Consultation</b>	'Decisions are made before ECC is considered, which means the consultation is not achieved.' – MR8		1				2	3
<b>ER - Ability</b>	'Some of the employee reps who have a broad view of issues, offer solutions and have an understanding when ideas are not or can't be implemented.' – ER23	1		1				2

## CHAPTER SUMMARY

The present chapter has considered the association between ECC representatives' perceptions of trust and fairness and their perceptions of the forum's effectiveness. Conclusions drawn from this chapter resemble conclusions drawn from the NICF case study.

Evidence indicates that both trust and justice perceptions are positively correlated with representatives' perceptions of the forum's effectiveness. Clarity of the ECC's role and purpose, consistency when applying procedures, unwillingness from EMT to consult, and an expectation misalignment between employee representatives and management representatives and EMT were all identified as major problems of the committee.

Evidence further suggests that representatives consider EMT support and managerial benevolence to be the strongest influences on the forum's effectiveness. Managerial IFJ, integrity, procedural justice and consultation (distributive justice) are also important.

One issue that makes the committee's effectiveness problematic is lack of consultation. This is why employee representatives have considered the ECC to be a 'tick in the box' with no value-add contribution. Lack of consultation with the committee stems from the EMT's unwillingness to take a risk, become vulnerable, and share control over the decision-making process. This unwillingness to consult, in turn, is probably the effect of low confidence in the employee representatives' abilities regarding consultation. From an employee representative perspective, this lack of consultation is evidence of inconsistent behaviour and unwillingness to consult even when issues are brought to the committee for consultation by employee representatives, thus suggesting an untrustworthy managerial behaviour.

In terms of fairness, evidence suggests that lack of consultation can be considered procedurally and distributively unfair and contribute to negative perceptions of the forum's effectiveness. Firstly, negative perceptions of procedural fairness are created when EMT reach decisions without consultation with the forum (here consultation is considered a process), not giving employee representatives the chance to express their views and feelings, nor influence the decisions. It can also be considered as lack of consistency in terms of process when there are items, though rare, that [employee representatives] are consulted on and other items that they are not. Secondly, when consultation items do not reach the committee or management is unwilling to consult on issues prepared by employee representatives, this can create negative perceptions of distributive fairness, since it was demonstrated that employee representatives consider consultation an outcome and especially when they have put effort into preparing an issue for consultation and that does not happen. As shown, feelings of procedural and

distributive unfairness were significantly and positively correlated with perceived ineffectiveness of the committee.

Evidence further suggests that the expectation mismatch, which was created in the early stages of the forum's process, contributed to beliefs of ineffectiveness. At the early stages, management demonstrated benevolence when they decided to provide representatives with training, but did not show benevolence when it was time to consult on strategic issues with the forum. The positive expectations formed were not realised, hindering trust relationships and fairness perceptions, and compromising the effectiveness of the committee.



# 9. JCC Effectiveness

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## INTRODUCTION

Following on from chapters 2, 3 and 4 it is widely accepted that the effectiveness of a joint consultation arrangement is greatly dependent on the way in which the workforce and management interacts (Sako, 1998) and the nature (cooperative or adversarial) of that relationship (Beaumont and Hunter, 2005). This chapter focuses upon the relationships between trust, justice and the outcomes of JCCs. The direct effects of trust and justice on important JCC outcomes such as the JCC participants' satisfaction with JCC outcomes, perceptions about the usefulness of the JCC, the performance of the JCC, and the impact on partnership working in the organization are examined. In order to provide a more complete understanding of the role of trust and justice, we also examine under what conditions trust and justice have their greatest impacts on JCC outcomes by examining how industrial relations climate (IR climate) moderates the trust/justice – JCC outcomes relationship.

Next, a report of the findings (testing the hypotheses presented in chapters 3, 4, and 5) and a discussion of the implications for theory and JCC practice are given. The method and sample were discussed in chapter 6.

## FINDINGS

Means, standard deviations, correlations and alphas are shown in Table 9.1. All reliabilities were above .7, indicating the strength of the scales used. Of the control variables, gender was negatively associated with industrial relations climate, trust, JCC performance and partnership. Forum tenure and age were not important. Additionally, an indication of the important impact of IR climate is given here by the strong correlations observed between IR climate and justice, trust and all the JCC outcomes (performance, usefulness, partnership and outcome satisfaction). Furthermore, it is important to note the significant correlations between justice, the moderator (IR climate) and JCC outcomes, and also the strong correlations between trust IR climate and JCC outcomes. The one relationship that is weaker, but still significant, is between trust and JCC usefulness. This will be discussed further in the discussion section of this chapter as it has implications for the regression analysis as well.

**Table 9.1:** Means, standard deviations, reliabilities, and correlations among the study variables

Variable	Mean	Standard deviation	1	2	3	4	5	6	7	8	9
1. Forum Tenure	2.72	1.07	--								
2. Gender	.45	.50	.24**	--							
3. Age	40.99	9.31	.08	-.15	--						
4. Positive Mood	3.32	1.01	-.01	-.28**	.05	.87					
5. Negative Mood	1.39	.65	.07	.16	.04	-.26**	.83				
6. Industrial Relations Climate	3.66	.66	.00	-.36***	.02	.49***	-.35***	.90			
7. Justice	4.12	.60	-.01	-.15	.14	.59***	-.27**	.52***	.91		
8. Trust	3.81	.56	-.08	-.31**	-.09	.42***	-.26**	.56***	.39***	.87	
9. JCC Performance	3.35	.78	.03	-.21**	.12	.77***	-.19*	.65***	.53***	.42***	.85
10. JCC Usefulness	3.98	.87	.07	-.09	-.01	.57***	-.31**	.42***	.48***	.21*	.49***
11. Partnership	3.46	.91	.14	-.21*	.04	.52***	-.26**	.78***	.39***	.39***	.67***
12. Outcome Satisfaction	3.78	.91	.00	-.22	-.12	.34**	-.53***	.60***	.39***	.51***	.33**

\*  $p < 0.05$ ; \*\*  $p < 0.01$ ; \*\*\*  $p < 0.001$ .

$N = 161$ .

Note. Scale reliabilities are on the diagonal.

(Table continues)

Variable	10	11	12
10. JCC Usefulness	.76		
11. Partnership	.48***	.87	
12. Outcome Satisfaction	.31**	.46***	.87

\*  $p < 0.05$ ; \*\*  $p < 0.01$ ; \*\*\*  $p < 0.001$ .

$N = 161$ .

Note. Scale reliabilities are on the diagonal.

Hypotheses (1-4; in chapters 3, 4, and 5) were tested using hierarchical regression, with justice and trust as the independent variables and JCC usefulness, JCC performance, outcome satisfaction and partnership as the dependent variables. Control variables (forum tenure, gender and age) were entered in Step 1, followed by justice and trust at Step 2 and interactions at Step 3.

According to the results shown in Table 9.2, justice was significantly related to all JCC outcomes (JCC usefulness [.45\*\*\*], JCC performance [.47\*\*\*], outcome satisfaction [.39\*\*\*] and partnership [.35\*\*\*]) providing support for Hypothesis 1. Trust was significantly related to JCC performance [.36\*\*], outcome satisfaction [.45\*\*] and partnership [.28\*\*] so that Hypothesis 2 was supported for all but JCC usefulness [.12].

The IR climate – justice interaction was significant in the JCC performance [-.19\*], JCC usefulness [-.26\*\*] and partnership [-.23\*\*] regressions but not for outcome satisfaction [-.17], providing partial support for Hypothesis 3. The IR climate – trust interaction, on the other hand, was only significant in the partnership regression [-.22\*], thus only supporting Hypothesis 4 (d).

The implications of these significant relationships will be discussed further in the discussion section of this chapter.

**Table 9.2:** Results of Direct and Moderated Regression (IR climate) for the Effects of Justice and Trust

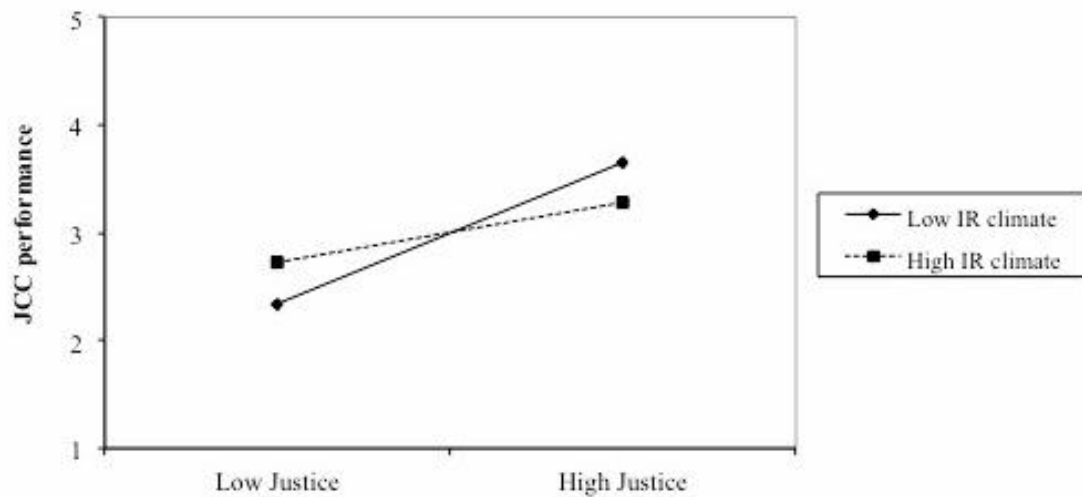
Variable	JCC Performance		JCC Usefulness		Partnership		Outcome Satisfaction	
	$\beta$	$\beta$	$\beta$	$\beta$	$\beta$	$\beta$	$\beta$	$\beta$
<i>Step 1</i>								
Forum Tenure	.08	.09	.08	.08	.20*	.18*	.05	.09
Gender	-.24**	-.19	-.03	-.02	-.18*	-.10	-.21*	-.10
Age	.01	.12	-.10	-.02	-.06	.02	-.24*	-.08
$\Delta R^2$	.11**	.11**	.01	.01	.08*	.08*	.09	.09
<i>Step 2</i>								
Justice	.47***		.45***		.35***		.39***	
Trust		.36**		.12		.28**		.45**
$\Delta R^2$	.24***	.13***	.23***	.04*	.14***	.12***	.14***	.19***
<i>Step 3</i>								
IR climate x Justice	-.19*		-.26**		-.23**		-.17	
IR climate x Trust		-.06		-.21		-.22*		-.05
$\Delta R^2$	.03*	.00	.07**	.03	.05**	.04*	.03	.00
$R^2$	.38	.24	.31	.08	.27	.24	.26	.28

\*  $p < 0.05$ ; \*\*  $p < 0.01$ ; \*\*\*  $p < 0.001$ .

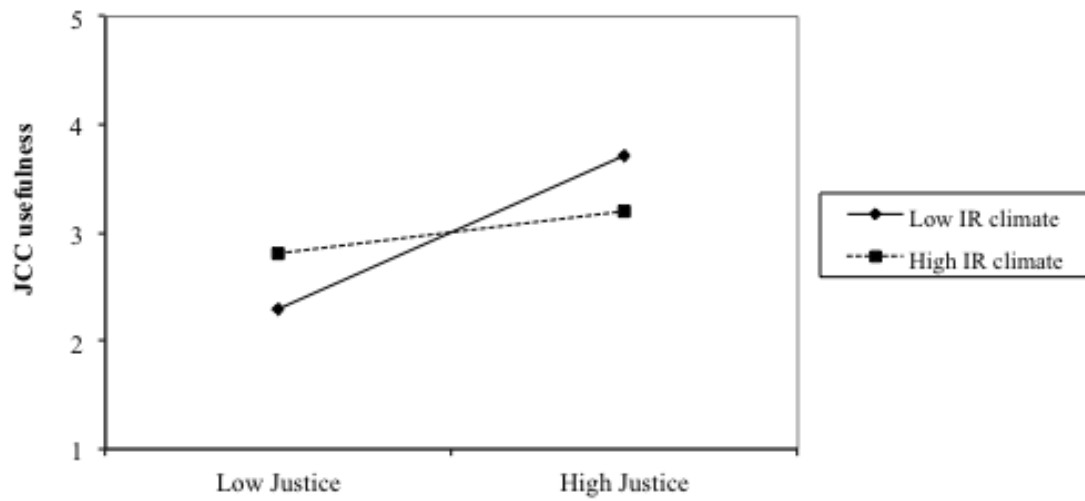
$N = 161$ . Note. Standardized regression coefficients from the final equation (step 3) are shown.

For all the significant interactions, the coefficients were negative. Following Aiken and West (1991), the interactions were plotted by using justice and trust perceptions one standard deviation above and below the mean for high and low values, respectively and IR climate at one standard deviation above and below the mean for 'high IR climate' and 'low IR climate', respectively. These interactions are illustrated in Figures 9.1, 9.2, 9.3, and 9.4, and demonstrate the stronger relationship between justice and JCC performance, JCC usefulness and partnership, and between trust and partnership in adversarial ('low') IR climates. These interactions associate a negative ('low') IR climate with the steeper slope.

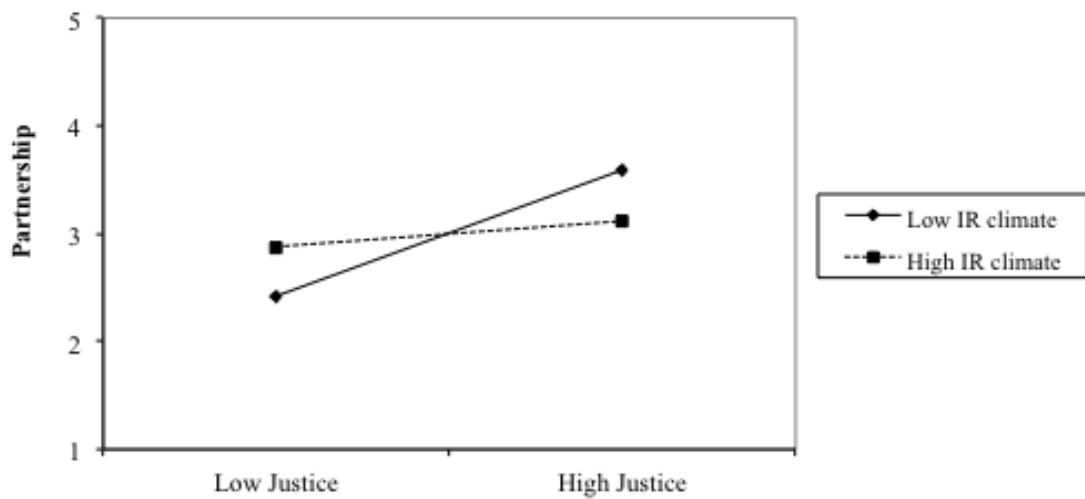
**Figure 9.1:** Moderating effect of IR climate on the relationship between organisational justice and JCC performance.



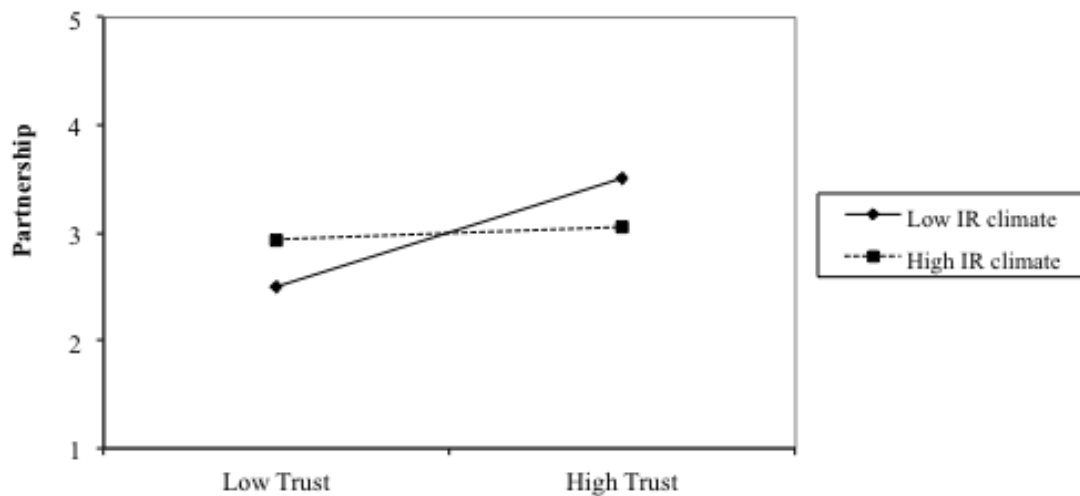
**Figure 9.2:** Moderating effect of IR climate on the relationship between organisational justice and JCC usefulness.



**Figure 9.3:** Moderating effect of IR climate on the relationship between organisational justice and partnership.



**Figure 9.4:** Moderating effect of IR climate on the relationship between trust and partnership.



## DISCUSSION

Several significant findings emerge from the empirical analysis. These are discussed next.

### *Justice and JCCs*

Consistent with research strongly linking justice with organisational outcomes, it appears that justice influences JCC outcomes as well. It was hypothesized that justice is a positive predictor of JCC outcomes. The results support this hypothesis (H1) with JCC performance having the largest beta coefficient and explaining 24% of variance. Justice has a significant positive effect on all JCC outcomes, and a stronger effect than trust (Table 9.2). Taking into account the areas covered by organisational justice (perceptions of fairness concerning distribution of outcomes, processes regarding decision-making, information sharing and interpersonal treatment), this is not surprising. A JCC has its own outcomes (links to DJ), decision-making processes (links to PJ), information sharing policies (links to IFJ), and representatives that interact at a regular basis and form relationships (links to IPJ). It is reasonable to expect that perceptions of fairness will influence representatives' views of the JCC's effectiveness; and this is supported by the findings of this study.

Consistent with research linking justice with cooperation, showing a positive effect of fairness perceptions on cooperation (for more detail see chapter 3), it is interesting to note the strong effect

justice has on partnership, explaining 14% of variance. Although cooperation is assumed when partnership is working, the two are not identical and further research is needed to examine the role of justice as an antecedent of partnership.

### *Trust and JCCs*

It was also expected that trust is a positive predictor of the same JCC outcomes. The results support this hypothesis (H2) for all JCC outcomes, except JCC usefulness.

These results are consistent with Kerkhof et al. (2003) in terms of the positive link found between trust and works council members' perceptions of its influence. The findings are also consistent with studies examining the relationship between trust and job and task performance (Dirks and Ferrin, 2002; Aryee et al., 2002). Additionally it provides support to authors examining JCCs, suggesting that trust is an important antecedent of a JCC's effectiveness (i.e. Beaumont and Hunter, 2007; Dietz and Fortin, 2007; Gollan and Wilkinson, 2007a; Hammer, 1997).

What is interesting is that, although trust predicts JCC performance, it does not predict JCC usefulness. This result is not surprising if one considers that usefulness is more concerned with practical and less with behavioural or relational issues within a JCC. It is probable that participants can trust their counterparts and still consider an outcome of the committee more or less useful.

Another interesting point to note here is the significant effect trust has on partnership. As discussed in chapter 4, although it has been suggested that trust can act as an antecedent of partnership, this relationship has not been examined to an extent that it can offer robust results. This study's findings add more support to the idea that trust can lead to partnership. However, as this is not the purpose of this study, further research is needed.

### *IR climate*

Drawing on literature suggesting that contextual variables can act as moderators to attitudes and behaviours, the effects of IR climate were examined. Our moderation hypotheses were based on the argument that IR climate can create conditions under which justice and trust have a greater impact on JCC outcomes. Thus, it was predicted that IR climate would moderate the relationship between justice and trust and JCC outcomes. The results partially support these predictions (H3 (a), (b) and (d); H4 (d)).



The moderation hypotheses were based on the argument that IR climate can create conditions within which justice and trust would be more influential determinants of JCC outcomes. The mixed findings suggest that this is not the case for all JCC outcomes. First, IR climate failed to moderate justice effects on outcome satisfaction, which is not entirely surprising if one considers the strong direct effect of organisational justice and outcome satisfaction (see chapter 3). Second, the effects of trust were found to be stronger only on partnership. These results also show that trust predicts JCC performance, outcome satisfaction and partnership regardless of IR climate.

In terms of the direction of the interaction, the evidence supports a negative interaction between IR climate and justice for JCC performance, JCC usefulness and partnership, and between IR climate and trust for partnership. Figures 9.1, 9.2, 9.3, and 9.4 illustrate several interesting contrasts. First, they suggest that at high levels of justice and trust, individuals in adversarial IR climates report higher levels of JCC outcomes than do individuals in cooperative IR climates. However, when the level of justice and trust is low, individuals respond more negatively in adversarial IR climates than in harmonious IR climates. This requires an explanation.

Given that procedural and informational justice (Deery and Iverson, 2005) and trust (Dastmalchian, 2008) contribute to the creation of a cooperative IR climate, it is safe to assume that a harmonious IR climate would be possible if trust and justice were present in the relationship between employees and management. Thus, the presence of trust and justice would be a given within a cooperative IR climate and as such JCC participants' would not rely as much on their trust and justice perceptions to make sense and evaluate JCC outcomes. Although justice and trust play a role in harmonious IR climates, their presence or absence has a less profound effect. On the contrary, this effect is greater in adversarial IR climates because of the lack of trust and justice. In such environments, participants' will try make sense of and evaluate the JCC outcomes in terms of their trust and justice perceptions (i.e. fair procedures were followed in this instance and that is why a positive outcome was achieved).

One can also argue that the IR climate can be adversarial in more challenging meetings, where the issues discussed are of greater impact and importance to employee representatives (i.e. discretionary day, restructuring). This being the case, figures 9.1 – 9.4 show that in such climates, when the meetings are characterised by high levels of trust and justice perceptions, then the meeting itself is perceived to be successful. In other words, when challenging issues are discussed (adversarial IR climate) in an atmosphere with high trust and justice, participants perceive the JCC as effective.

## **SUMMARY**

Overall the findings suggest that justice and trust act as strong antecedents for the majority of JCC outcomes and that justice is a stronger predictor of all JCC outcomes than trust. Additionally, it appears that IR climate creates the appropriate conditions for some of the relationships to be stronger.

# 10. Discussion

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## INTRODUCTION

The two case studies provide an in-depth insight into whether and how trust and justice impact the workings of a JCC and representatives' perceptions of its effectiveness.

In the following sections, the five stages of the JCC process are discussed, followed by a discussion of emerging issues (expectations, lack of consultation, JCC relationships) that were observed in the two cases in relation to the thesis' research question.

## THE FIVE STAGES PROCESS

In the following section a comparison of the two cases (NICF and ECC) will be presented along with a discussion of commonalities, differences and emerging themes from the five stages of the JCC process. As explained in the literature review, this model is used as it is the only theoretical model known that combines trust and justice in a JCC context and focuses in detail on the different stages that a JCC goes through during its operation.

Each stage will be discussed in terms of trust and justice.

### **Pre-voice history**

When discussing the first stage of the process [pre-voice history], Dietz and Fortin (2007) argue that the events that lead to the decision to create a JCC will influence initial trust and justice perceptions. Different circumstances in the two companies led to the creation of their committees, but had similar outcomes, and influenced the committees in a similar way.

As shown in chapters 7 and 8, although different reasons led to the creation of the two committees, both were created after a management decision to initiate such arrangements.

## *Trust*

From a management perspective, for both committees, the decision to create a JCC was more a calculated, a 'pre-emptive' move to comply with the European Regulation, but on their terms. For NICF, this 'defensive' tactic was counter balanced by evidence of managerial trustworthiness, especially ability and benevolence formed by hiring the IR manager and strengthened more during the redundancy consultation. This created a positive climate for the revamp of NICF and positive expectations about the forum. However, for the ECC, the negative experience of the strike action (lack of benevolence in terms of concern for the company) led to the creation of a fragile committee, even though it was 'advertised' as a mechanism that would address the employees' voice needs. Nevertheless, from an employee perspective, management's decision to create a JCC was seen by employee representatives, in both cases, as a benevolent managerial move that contributed to the creation of positive expectations about the future of the committees.

From the above, one can notice that at this stage of the process, JCC participants relied more on evidence of the other party's benevolence. This evidence was used to evaluate the other party's trustworthiness and define expectations about the future effectiveness of the JCC.

## *Justice*

Information about decisions was not easy to access in Consult (UK) and communication was done at a very general level with companywide newsletters. From an informational justice perspective fairness perceptions were quite low. The creation of the forum in 2005 did not really change things in terms of perceived informational fairness, probably because the forum was not working properly and its visibility to the workforce was very low. Procedurally and distributively, fairness perceptions were low amongst employee representatives, creating feelings of frustration and doubts about the effectiveness of the forum. What changed things within the NICF in terms of fairness, more specifically procedural fairness, was the hiring of the IR manager. Employee representatives were then able to express their views and feelings about how things were working in the forum, and influence the outcomes. This also created positive perceptions of distributive justice since employees could see that their efforts were not in vain and management's decisions reflected their effort to change things in the forum.

The redundancy consultation exercise had also an effect on the formation of positive fairness perceptions on all dimensions. Employee representatives that participated had a chance to experience a fair process, treatment, information sharing and ultimately outcome. The redundancy round and the

way consultation happened created high expectations among employee representatives about the purpose and instrumentality of the forum, expectations that could be detrimental if they were not realised in the future (Dietz and Fortin, 2007).

Coming to the HT from an organisation with a union presence, HT's employees were used to having a 'voice' mechanism in place. The decision to create the ECC set a positive precedent in terms of procedural and distributive justice: procedural fairness because now employees had a 'voice' mechanism and distributive because, even though HT did not recognise a union, it gave employees that asked for it, an alternative. However, an issue that created misunderstanding was that the ECC was presented as a committee that is equal to a union. This also created early expectations about the process that were not subsequently met. Most of the employees only realised the ECC would not act as a union after the training.

From the above, one can notice that at this stage of the process JCC participants relied more on distributive, procedural and informational justice to form fairness judgements in order to cope with the uncertainty of the situation. These judgements were also used to define participants' expectations about the future effectiveness of the JCC.

In sum, findings are in line with Dietz and Fortin's (2007) predictions that providing observable commitment to the voice process should enhance perceived justice and trust, and have a positive effect on participants' willingness to collaborate.

## **Design**

Dietz and Fortin (2007) argue that a JCC needs to be seen as capable to deliver outcomes that are considered fair and if not beneficial, at least non-detrimental for trust to develop. A first step to achieving this is by building trust and justice in the design.

## *Trust*

The depth of detail of the NICF's constitution provides employee and management representatives with the necessary legal support enhancing the forum's trustworthiness as well. However, the constitution is also the first source the representatives will rely on to form their initial expectations about the purpose and role of the forum. In this case, it is rather weak as it only provides a general scope of the

information and consultation issues the NICF can discuss, and contributes to a lack of clarity for both employee and management representatives and also the NLT. It is a weakness that did not help in building trust, as this led to a mismatch of expectations about the role of the forum between management (including the NLT) and employee representatives.

An indication of managerial benevolence and integrity would be an agenda that covers all issues relevant to employees, including both informational and consultative items. The findings indicate the NICF's agenda mostly covers the former but hardly ever the latter.

In the ECC we saw how the vague and imprecise Terms of Reference led to misaligned expectations between management and employee representatives concerning the role and purpose of the committee. As shown in the narrative section of chapter 8, there was even a difference of opinion about the clarity of the Terms of Reference between the committee participants. This difference of opinion created an expectation mismatch, which in turn did not help preserve trust as it eventually led to employee representatives' expectations not being realised. Another weakness of the design in terms of the ECC's trustworthiness and integrity was the lack of clear confidentiality rules.

The ECC's design did not build or strengthen the trustworthiness of the committee. The evidence suggests that the lack of clarity of the design is the source of an expectation mismatch between employee representatives and management, which in later stages led to disappointed expectations, mainly from employee representatives.

### *Justice*

For the NICF, the constitution's detail on the process was a first source of perceived procedural fairness. The details about the representativeness of the participants, the number of meetings a year, chairing of the meetings, the agenda setting and the confidentiality details all provided thorough information and explanations about the operation of the NICF, suggesting that this was going to be a forum with the potential for high procedural and informational justice.

The level of detail concerning membership can be perceived as procedurally and informationally just. It demonstrated management's willingness to provide an opportunity for voice, through representation, to all workforces and also had the relevant managers present to provide sufficient information and explanations about decisions and answer any questions employee representatives might have. The fact that employee representatives had input into the design of the agenda and influenced the items on it

shows that they had a voice in the process, indicating again potentially high procedural justice. Having sufficient time to review the agenda items was a sign of high informational justice.

Additionally, the creation of the code of conduct and the behavioural standards that it set, provided the participants with evidence and set high expectations of interpersonal justice between the participants in the meetings.

In the ECC's case, the vague terms of reference failed to set realistic expectations. From the beginning, when terms of reference were designed, by not including employees in this procedure, management did not give them an opportunity to express their views about the process.

This identified lack of clarity appears to have had a substantially negative impact on the ECC's agenda. When employee and even management representatives were not clear about what sort of issues they could bring to the table, it was more likely for employees to not suggest items and for meetings to be cancelled when neither management nor employees put anything on the agenda. This was procedurally unfair as this process was not based on accurate information about what can go on the agenda and what cannot and also led to fewer opportunities for employees to express their views about issues. Another issue with the agenda identified by employee representatives was the late delivery of the material for the meetings. While the agenda was usually set two weeks before the actual meeting, it was often the case that the relevant material did not reach the members till the day before or even at the meeting, especially for ad-hoc meetings. 'Communication of details in a timely manner' is an informational justice element that was lacking in this committee.

### ***Clarity of the JCC's role***

One emerging theme from both committees' constitution/terms of reference was the lack of clarity of the purpose and role of the forum. This was apparent to a greater extent in the ECC.

Despite NICF's detailed constitution, a major weakness was the lack of clarity of the purpose and role of the forum. By not providing thorough explanations and detailed information about items that the forum was required to be consulted on, doubts were created about the anticipated distributive justice of the forum. It also formed low expectations of procedural and informational justice since it was interpreted as not giving the opportunity to the employee representatives to influence the outcomes and express their views on the decisions reached without consultation. Dealing with the clarity issue would lead to more relevant and more consultative items to be added in the agenda, which would then lead to better perceptions of distributive justice.

This is even more so for the ECC. There was lack of clarity especially about the role and purpose of the committee; what issues can be brought to the table; and what issues were 'consultative' or 'informative'. This was a problem recognised by most ECC representatives, employees (n=6) and management (n=2). This was a procedurally unfair situation, in that the processes of the meetings were not based on accurate information. If the Terms of Reference were clearer, that would give employee representatives more freedom to challenge issues and express their views.

This lack of clarity in the design of both the committees confirms Dietz and Fortin's (2007) prediction that design plays an influential role in the facilitation of trust and justice and the uncertainty of the early stages. A relatively vague design in terms of what constitutes consultation and, in the case of the ECC, a completely vague design concerning consultation, information sharing and how sensitive information was handled led to misconceptions about the role of the JCCs, which in turn led the employee representatives to perceive the NICF as a 'talking shop' and the ECC as a 'tick-box exercise'.

## **Preparations**

Dietz and Fortin (2007) predict that training can provide evidence of trustworthiness – especially employee ability and managerial benevolence – and enhance perceptions of fairness and expectations of the JCC's effectiveness. The NICF and the ECC only provided training to employee representatives. Next we discuss both cases in terms of trust and justice perceptions and JCC effectiveness expectations created during training.

### *Trust*

Ability is defined by Mayer et al. (1995:717) as a "group of skills, competencies, and characteristics that enable a party to have influence within some specific domain". In this case this *specific* domain is the JCC. JCC participants will assess their counterparts in terms of skills and competencies that are considered relevant within a JCC domain. Training will contribute to the enhancement of such skills and competencies.

In both the NICF and the ECC, the provision of training demonstrated benevolence from management and in turn gave management confidence about the ability of the employee representatives since the purpose of it was to create and enhance all the necessary skills that would make a capable employee representative. And employee representatives recognised this. However, employee representatives interpreted the fact that management representatives did not attend the training session as a lack of interest from management, indicating a lower level of benevolence in this case.



Training also created expectations as to how the JCC should work, including its consultative character. However, those expectations were not fully met. A consequence of that was the formation of doubts about the effectiveness of the forum and perceptions of low trust towards it. Training presented a certain role for the forum (options-based consultation), which employee representatives believed but in reality things were not like that, thus creating a mismatch of expectations. Furthermore, the fact that managers involved with the forum did not get training created a mismatch of acquired information about the purpose and role of the forum. Employees were presented with how information and consultation forums work, but managers did not get the same information and so might have assumed a different kind of role of the forum.

The disappointment expressed by both the committees' participants about the lack of options-based consultation during the forums' operation, demonstrates that these expectations were not realised in full, negatively impacting perceptions of the forums' effectiveness.

### *Justice*

Training can be a source of informational and procedural justice evidence, in the sense that it can provide representatives with the necessary accurate information about procedures, and explanations about how the committee should operate, what its purpose is and the role of the representatives. In both cases, training fulfilled that role. However, it can create false expectations on distributive justice (Dietz and Fortin, 2007). Training presented option-based consultation as one major operation of the forum. Nonetheless, this operation did not become a reality to its full extent and was perceived as distributively unfair, which was something that happened in the NICF and the ECC.

Evidence of the impact of training provides support on Dietz and Fortin (2007) model and their propositions on heightened expectations (this will be discussed further in later sections of this chapter).

### **First meeting**

While history, design and preparations serve as sources of trustworthiness and fairness judgments, mainly about management's motives and building expectations about the forum, it is the actual first meeting that will set the climate for what is to follow as it is the first ever interaction between participants (Dietz and Fortin, 2007). Ambrose and Cropanzano (2003) argue that people react more strongly to direct experiences, and McKnight et al. (1998) point out that the influence of the institutional structures (i.e. JCC design) will diminish over time once parties start relying on direct experience to evaluate behaviours. The first meeting is the first direct source of evidence participants

will use to evaluate whether their expectations about the forum will be realised or disappointed. In both committees, the first meeting left positive impressions on participants and created further positive expectations.

### *Trust*

Dietz and Fortin (2007) predict that at this stage participants will value stable ability, integrity and benevolence in the sense of demonstrating benign motives. Although there were no consultation items in either committees' first meeting's agenda, interview comments from participants highlighted the positive impression the meeting left in both management and employee representatives. In both forums, the first meeting set the tone for future meetings and created high expectations about the committee's effectiveness and its trustworthiness.

In terms of factors of trustworthiness it is evident that employee representatives recalled evidence of managerial ability (the way the meeting was managed), integrity (seen as open and honest) and benevolence (expressing non-selfish motives, receptivity). Management focused more on integrity (consistent with the code of conduct), ability (input during the meeting) and benevolence (caring – demonstrated by employee representatives' participation in the committee). These findings provide support to Dietz and Fortin's (2007) predictions. However, further support is needed from future research and perhaps a more detailed prediction in terms of distinguishing between employee representatives' A, B, I and management's A, B, I as these findings, especially from the management perspective were not consistent for all three factors between the two forums (NICF – A, I; ECC - B).

### *Justice*

Fairness perceptions formed by previous history, design and preparations of the forum will be highly influential in the representatives' decision to behave cooperatively. Evidence of fair treatment in the first meeting will have a big impact on this decision. Since this is the first real interaction between the delegates, and information about the other party's trustworthiness is rather low, participants, in an effort to decide to cooperate or not, will rely on their fairness perceptions (fairness heuristic theory – Lind, 2001) and will look out for justice evidence (Greenberg, 2001). This will happen during the first meeting with participants looking for interpersonal (Colquitt et al., 2001), informational and procedural (Cropanzano and Ambrose, 2001) evidence of fairness to promote cooperative behaviour (Dietz and Fortin, 2007).

All of the interviewees expressed their satisfaction with the first meeting in terms of treatment. Employee and management representatives behaved respectfully even during challenging issues. Concerning treatment and interpersonal justice, all representatives, employees and management, said they were always treated with respect and the climate was always professional and friendly. In terms of procedural justice, representatives had the chance to express their views and provide feedback on all items discussed during the first meeting.

Similar to trust perceptions, the cycle of interaction generated in the first meeting is informing future interactions in subsequent meetings. Positive impressions creating positive fairness perceptions created confidence that these interactions will follow in subsequent meetings.

### **Subsequent meetings**

This is the stage where expectations are realised or in our case, disappointed. This is also the stage where the positive momentum that might have been developed during the previous stages needs to be sustained to avoid creating perceived injustices and damaging trust (Dietz and Fortin, 2007). If expectations formed in the previous stages are not realised in the form of tangible outcomes, participants, mostly employee representatives will dismiss the committee as ineffective (Broad, 1994). As demonstrated in chapters 7 and 8 this happened for both forums. Dietz and Fortin (2007) predict that at this stage benevolence – receiving mutually beneficial outcomes – and distributive justice will become more salient when evaluating the effectiveness of the JCC. A discussion follows where subsequent meetings in both forums are examined in terms of these predictions and commonalities and differences emerge.

### *Trust*

For the NICF's subsequent meetings, the highly confidential character of the information sharing remained; this demonstrated managerial benevolence and integrity. At the same time, there were never any information leaks from employee representatives, which was something that management appreciated and demonstrated the integrity and ability of the employee representatives. However, the major disappointment came from employee representatives about their usefulness and not from management. Failing to consult on a number of issues - for example, the discretionary day and performance management decisions, even when there were plenty of opportunities to do so - had a negative impact on managerial integrity and behavioural consistency.

The expectation mismatch that was created in the early stages of the process was also more obvious as the NICF met, and it affected the operation of the forum, creating disappointment and frustration in the employee side. All but one of the NICF interviewees, when asked if they had doubts about the forum, replied positively and linked their answers to lack of consultation.

In the ECC, there were four issues (intranet report, operatives' contracts, restructures and pay reviews) that were identified by the participants, mainly employee representatives, as influential in their perceptions of the effectiveness of the committee and with implications on the trust relationships in the committee. Employee representatives felt disappointed for not having any involvement in decision making, for management's unwillingness to share control of the decision making process and take the risk of consultation. Similar to the NICF, ECC employee representatives (all but one), when asked if they had doubts about the effectiveness of the forum, said yes and linked their answers to lack of consultation.

In sum, from an employee perspective, an emerging issue from both committees was lack of consistency in terms of consultation. This appeared to have the strongest impact on employee representatives' perceived managerial integrity and JCC effectiveness. Here it can be argued that the Dietz and Fortin (2007) prediction about benevolence is partially supported. It can be said with certainty that mutually beneficial outcomes were rare, if any. However, more attention should be given to the role of integrity and the impact of consistency in employee representatives' perceptions of the JCCs' effectiveness.

From a management perspective, more importance was placed on the employee representatives' demonstration of competency. The findings presented in chapters 7 and 8 suggest that management was almost always looking for evidence of ability.

Although these findings provide partial support to Dietz and Fortin's (2007) predictions – in terms of benevolence, a need for further detail is also emerging. The findings suggest that different factors are more salient for employee representatives and management. Thus further research should test these findings and provide separate predictions for employees and management.

### *Justice*

Outcomes become more critical as time passes and as participants have more direct experiences with the outcomes achieved (Ambrose and Cropanzano, 2003). In subsequent meetings, employee representatives' expectations mainly about procedural and distributive fairness were not realised in full for both committees. Brockner et al. (2000) point out that people who have experienced fair

treatment – this happened in the first meeting – might react more negatively and strongly to a perceived injustice than others who did not.

Both cases revealed that the big problem in terms of fairness, mostly procedural and distributive had to do with lack of consultation. Negative perceptions of procedural fairness were created when a decision was made on which employee representatives considered they should be consulted, and they did not get the chance to either express their views, influence the outcome or appeal that decision. It was also considered as lack of consistency in terms of process when the items that were identified in the constitution/Terms of Reference as being ‘consultative’ in reality never were. When consultation items did not reach the committee, then it was considered as low distributive justice. When employee representatives were making an effort, bringing issues to the committees for consultation, and that did not happen, this was perceived as distributively unfair.

What could also be observed was that perceptions of procedural and distributive justice seemed to be significantly affected by the items in the agenda for every meeting (see chapters 7 and 8). In particular, whether those items were ‘information-only’ or consultative items, whether employee representatives believed that ‘information-only’ items should actually be consultation items and management’s reaction to items brought to the committees by employee representatives for consultation (whether they consulted or dismissed the item). Employee representatives perceived the process of decision-making and outcome to be fair, the more consultation items there were in the agenda. This, in turn, had a positive impact on the perceived effectiveness of the forum.

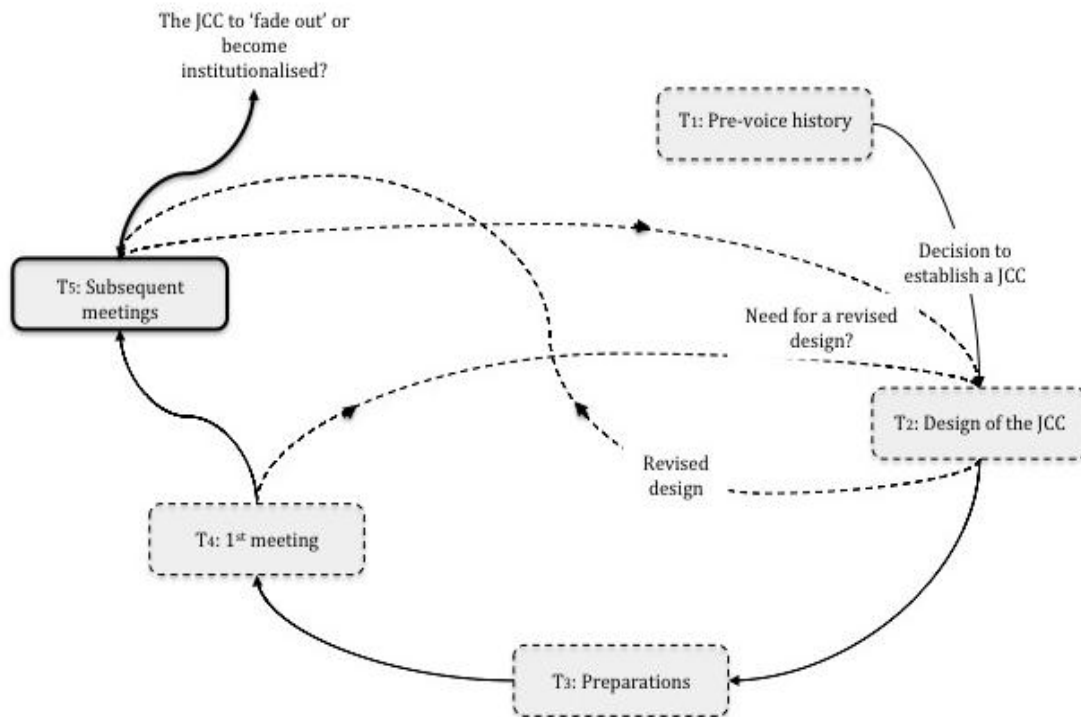
In sum, Folger and Cropanzano (1998) argue that if procedures are fair, with adequate explanations and information to justify them, people react less negatively to unfair and unsatisfactory outcomes. This is apparent in both cases. During interviews, respondents were less ‘bitter’ about decisions made without consultation if they had received adequate information and explanations justifying them. Examples where employee representatives did not receive such information and explanations and reacted badly to the decisions made were the ‘desk-booking policy’ and the ‘discretionary day’ for the NICF and the ‘Property and Development Restructure’, and the ‘operatives’ contracts’ for the ECC.

To conclude, procedural and especially distributive justice became important at this stage confirming Dietz and Fortin’s (2007) predictions.

Overall, Dietz and Fortin (2007) posit that perceptions of trust and justice formed at each stage of the model will contribute to the participants’ evaluation of the effectiveness of the JCC. However, they do not indicate whether this contribution is equal in all stages. Additionally, the depiction of the model (shown in chapter 2, figure 2.1) suggests that all of the stages carry the same weight.

On the contrary, in the case of the committees studied, it seems that the ‘subsequent meetings’ stage (T5), where participants relied on their own experiences of trust and justice, and started evaluating actual outcomes of the committees, is a stronger determinant of the success or failure of a JCC. Therefore, an amendment of the model is provided (shown in Figure 10.1 below) that highlights the stronger significance that stage (T5) has on the overall JCC process. This is indicated by the bold lines.

**Figure 10.1:** Modified Dietz and Fortin (2007) model



Next, the several theoretical and practical issues that the two case studies raised are discussed.

## EXPECTATIONS

Dietz and Fortin (2007: 1164) state that “the setting of trustworthiness and justice expectations, whether parties share common or conflicting expectations, and whether expectations are confirmed or disconfirmed, determine whether a JCC will be effective, in terms of conduct, process and outcomes”. This is an issue that is prevalent and emerges as salient from the analysis of the two cases. The formation and effective – or rather ineffective in this case – management of expectations determines whether participants will perceive the JCC as effective, confirming Dietz and Fortin (2007).

The impact and importance of expectations on trust and justice perceptions has been examined extensively in literature. Blau (1964) argued that satisfaction with exchange relationships depends in large part on the benefits received relative to the expectations held by the parties; those expectations are driven by a party's own experiences. In this case, these experiences are the pre-voice history, training and the first meeting. Expectations that are disconfirmed are likely to lead to negative justice judgements (Folger, 1986).

Dirks and Ferrin (2002) also argue that unmet expectations are likely to influence followers' trust by affecting the extent to which the leader – or in this case management – is perceived to be honest, dependable or to have integrity and they conclude that ensuring expectations are realised will increase trust in leadership – management. Dawes (1980) found that expectations about another party's willingness to cooperate are related to that party's decision to take a risk and cooperate.

Beaumont et al. (2005: 94) identify “the degree of shared expectations and understanding” between the employee representatives and management as one of the factors shaping the level and nature of trust within a JCC environment. Broad (1994) concludes that misaligned expectations between participants made the forum under investigation fragile and eventually ineffective. Next the impact of the expectation mismatch and unrealised expectations is discussed.

Evidence, mainly interviews and survey data, suggest that different levels of trust and changes in fairness perceptions during fieldwork were the result of an expectation mismatch concerning consultation, which was formed at the pre-voice history stage and to a greater extent during training and at the first meeting. The mismatch occurred due to high expectations formed by employee representatives and lower expectations by management representatives, which were also undermined by their scepticism about employee representatives' abilities and integrity. Essentially, at the moment fieldwork stopped, for the ECC, there was no sense of involvement in the decision making process from employee representatives. The climate in the NICF was better due to the positive effect of the training workshop a day before the last meeting I observed; confirming Dietz and Fortin's (2007) prediction that joint training is more beneficial as it contributes to the development of mutual expectations. Before that stage, NICF employee representatives had expressed their disappointment with the level of consultation, confirming here as well that their expectations up to that point were not realised.

Evidence further indicates that the expectation mismatch (in terms of consultation), which was created in the early stages of both forums' process, contributed to beliefs of ineffectiveness. At the early stages, management demonstrated benevolence when they decided to revamp the NICF/ create the ECC, and provided representatives with training, but did not show benevolence when it was time to consult on

strategic issues with the forums. The positive expectations formed were not realised, hindering trust relationships and fairness perceptions, and compromising the effectiveness of the forums.

This disillusionment created by employee representatives' high expectations about the JCC's consultative role in decision-making had a negative impact in the relationship between management (mainly the Decision-Making Teams (DMT) and the Chair) and employee representatives. Specifically, the mismanagement of employee representatives' high expectations negatively affected their trust and justice perceptions towards management and consequently their perceptions about the JCC's effectiveness. These findings confirm Broad (1994) and Dietz and Fortin (2007) and contribute an added, in-depth understanding into how successful or unsuccessful management of expectations define the effectiveness or ineffectiveness of JCCs.

## **LACK OF CONSULTATION**

Another emerging theme from the analysis of the two cases that is closely related to misaligned expectations is lack of consultation and involvement in decision making, especially for strategic issues that employee representatives considered relevant to the aims and purpose of the JCCs. This lack of consultation has led employee representatives to characterise their respective JCCs as a 'talking shop', a 'tick-box exercise'. Implications for both trust and justice and perceptions of the JCCs' effectiveness are discussed next in terms of the impact of the lack of consultation.

### **Trust**

In terms of trust, trustworthiness factors that influenced the decision to not consult with the forums were the unwillingness from management to take a risk (Mayer et al., 1995) and share and delegate control (Whitener et al., 1998). Both factors will be discussed next.

#### *Taking a risk - Sharing and delegation of control*

The expectation mismatch, concerning consultation, which was created in the early stages of the process, had a negative impact on employee representatives' perceptions of the committees' effectiveness, creating disappointment and frustration. From the interviews with employee



representatives, it appears that feeling involved (sharing and delegation of control), by being consulted, matters a great deal and affects their perceptions of the committee's effectiveness.

From the ECC, MR7 and MR8 expressed their belief that the ECC was ineffective because of lack of consultation, which came from a lack of trust. MR8 even admitted the difficulty of convincing EMT to consult before a decision was made, indicating how unwilling they were to take a risk and share control. Management's unwillingness to take a risk and consult with employee representatives was triggered from bad past experiences of the 'Council' days (strike action). Although MR6 never directly said that management did not consult with the ECC in case this triggered another strike action, he believed that possibility existed, and in this case, the ECC would become an obstacle to management decision-making. MR6's belief that there was still a possibility of strike suggests a predisposed suspicion about the employee representatives' motives and implies low trust levels.

Similarly, In the case of the NICF, lack of consultation with the forum came from the NLT's unwillingness to take a risk, become vulnerable, and share control over the decision-making process. This unwillingness to consult, in turn, was the effect of low confidence in the employee representatives' abilities regarding consultation. From an employee representative perspective, this lack of consultation was evidence of inconsistent and, therefore, untrustworthy managerial behaviour. Even though management agreed to a constitution that stated, in general terms, the issues of consultation, when the relevant issues came up, they did not consult with the forum.

This lack of consultation is the reason employee representatives considered the ECC to be a 'tick in the box' with no value-added contribution and characterised the NICF on several occasions as a 'talking shop'.

From a management perspective, it was shown that this lack of consultation was an outcome of management's lack of confidence in employee representatives' competencies. Whitener et al. (1998) discuss the importance of competency evidence in triggering sharing and delegation of control. Based on their impressions about employees' competencies, managers will then engage in a trusting relationship. However, if one considers the redundancy exercise in Consult (UK) as a demonstration of competencies by employee representatives then this does not fully explain why management are not willing to consult after that. Mayer et al. (1995) argue that an outcome of trust is risk taking in the relationship. In assessing the risk in a situation, managers will evaluate the employee representatives' trustworthiness as well as the context, such as weighing the likelihood of both positive and negative outcomes that might occur (Mayer et al., 1995). This means that even when management consider employee representatives competent, they might still choose not to consult on an issue that, to them, is likely to produce a negative outcome. For example, during the interviews, C3 was certain that the

decision to cancel the discretionary day would never have met with the acceptance of the employees and so management possibly took the decision to at least avoid direct conflict with employee representatives during consultation about the issue.

These findings support the two-dimensional model of trust development and highlight the importance of risk-taking decisions for the action of trust. The results suggest that perceptions of trust differ within situations and contexts. By way of example, DMT's are likely to decide against or for consulting on an issue depending on their evaluation of the employee representatives' trustworthiness but also their evaluation of the risk of the *specific* situation. The analysis also reveals that the relationships between management (especially DMTs and the Chair) and employee representatives are highly segmented, with parties constantly monitoring their vulnerability. In a JCC context, this is quite important as it suggests volatile levels of trust (from a management perspective) depending on the situation, and can highlight in which situations management will not be willing to consult with JCCs. Arguably, management will have no problem consulting on 'housekeeping' issues but will be less willing and more cautious when it comes to strategic issues. This was also supported by the moderation findings in chapter 9. Additionally, it has been argued in JCC literature that the effectiveness of a JCC is largely dependent on management's willingness to proactively use JCCs for information *and* consultation on strategic issues, and management's demonstrable support for the JCC (Broad, 1994; Hall et al., 2011). This thesis' findings support these propositions and add a more in-depth understanding in that it also proposes reasons that influence management's willingness to involve or not the JCC in the decision-making process.

## **Justice**

Lack of consultation had a significant effect on employee representatives' fairness perceptions, mainly procedural and distributive. As it was discussed in the two empirical chapters (chapter 7, and chapter 8), the big problem for both committees – to a greater degree for the ECC – in terms of fairness, (mostly procedural and distributive) had to do with lack of consultation.

### *Distributive Justice - Procedural Justice*

The findings from both cases suggest that lack of consultation was considered procedurally and distributively unfair and contributed to negative perceptions of the forums' effectiveness. Firstly, negative perceptions of procedural fairness were created when the NLT and the EMT reached decisions

without consultation with their respective committee (here consultation is considered a process), not giving employee representatives the chance to express their views and feelings about it, nor influence it. It was also considered as lack of consistency in terms of process when there were items, on which [employee representatives] were consulted and other items on which they were not. Secondly, when consultation items did not reach the committee or management was unwilling to consult on issues prepared by employee representatives (this was more the case with the ECC), negative perceptions of distributive fairness were created, since it was demonstrated that employee representatives considered consultation an outcome, especially when they had put effort into preparing an issue for consultation and it was then dismissed. As shown in chapters 7 and 8, feelings of procedural and distributive unfairness were significantly and positively correlated with perceived ineffectiveness of the committees.

It was also shown that the items in the agenda for every meeting significantly affected perceptions of procedural and distributive justice. In particular, whether those items were 'information-only' or consultative items, whether employee representatives believed that 'information-only' items should actually be consultation items, and what items management brought to the forum (if any) at the options-based consultation phase. Employee representatives perceived the process of decision-making and outcomes to be fair, the more consultation items there were in the agenda. This, in turn, had an impact on the perceived effectiveness of the forum. These findings highlight the direct effect lack of consultation has on distributive and procedural justice and consequently to employee representatives' perceptions of the JCC effectiveness.

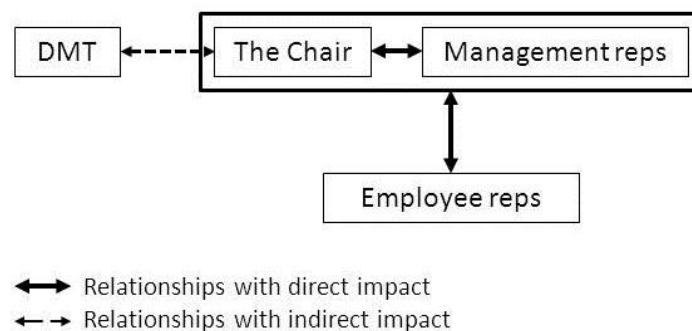
Understanding the factors that lead to lack of consultation in a JCC is important for several reasons. First, because this thesis' findings provide support to JCC academics who posit that lack of consultation is one of the major factors that lead to JCC ineffectiveness. Second, it contributes to JCC knowledge on the JCC process, as we can now also explain in-depth why DMT's choose not to consult in the majority of cases with the JCC, and what is the impact of that decision, in terms of fairness judgements, on employee representatives and their view of JCC effectiveness.

## **JCC RELATIONSHIPS**

Another issue that emerged from the cases is that the decision-making teams (DMTs) of the two companies (the NLT and the EMT), the JCC Chair, and employee representatives' perceptions of their trustworthiness and fairness appear to affect the exchange relationship within and operation of the JCC. This became apparent during the interviews, when employee representatives were referring to

management, the majority of their comments had to do with the DMT and the Chair and far less with the rest of the management representatives. The DMTs were seen by employee representatives as the most influential determinant of JCC effectiveness in terms of consultation. They [the DMTs] were the ones who decided whether to consult or not with the JCC and on which issues ('housekeeping' or strategic issues). As shown earlier, this decision depends on DMTs' trust perceptions of employee representatives. For this reason the Dietz and Fortin's (2007) 'relationships' figure was adapted to incorporate this. Figure 10.2 below illustrates these relationships. Although the relationship between the DMT and the JCC is still characterised as an indirect one (highlighting that there is not a substantial amount of direct interaction between DMTs and JCC members), this is intended to reflect the strength of the impact of that relationship but to highlight that the DMT's impact on the JCC is through the Chair.

**Figure 10.2:** Relationships in a JCC



Due to the importance employee representatives placed on the Chair, a discussion about his/hers role in and impact on the JCC follows.

### The Chair

A very influential and important role within the forum in terms of the exchange relationship and trust and justice is the Chair.

In the case of the NICF, employee representatives appeared to have mixed feelings about C1, positive feelings about C2, and mixed feelings about C3. Seven out of thirteen employee representatives expressed complaints during their interviews about C1 and his 'abrupt' behaviour as they called it, and said that he did not show any real interest in the forum and had concerns about him not being supportive of the forum. All these can be considered as evidence of low benevolence and demonstration of concern. The interaction of the group with C2 was limited to two meetings since he was only a replacing C1 and his role was not permanent.

C3 was a rather interesting case in terms of trust. In both his interviews, he identified clarity of role as the major problem of the forum, but, at the same time, in both interviews he expressed doubts about the employee representatives' ability to add value to the business through the forum. The awkward interactions surrounding the debate on desk booking policy and explanations for it created a low trust relationship history, impacting negatively on the employee representatives' integrity, making C3 quite cautious towards the forum. Another indication of C3's low trust towards the employee representatives was the fact that he did not believe that the views they expressed in the meetings were the views of their constituents, and not exclusively their own, which suggests low trust in their motives and general benevolence. From the employee representatives' side, their first impressions of C3 were mainly positive especially in terms of integrity and benevolence. However, their perceptions (integrity and benevolence) changed after C3's discretionary day announcement. This was seen by employee representatives as a breach of their trust.

MR6's role in the ECC was assessed through the way he managed items that came to the committee after employee representatives' recommendations and whether or not he promoted issues to the EMT. The major event that damaged MR6's trustworthiness (as discussed in the 'subsequent meetings' section) in terms of benevolence was the 'intranet report' item. His behaviour also contributed to employee representatives being reluctant to bring issues forward. The intranet report issue damaged the perceived integrity of the Chair of the ECC (MR6). The Chair's dismissive reaction was a contributing factor to the creation of the employee representatives', seemingly, apathetic behaviour. These findings are supported by Korsgaard et al. (2002) who found that considerations of people's input have a positive effect on trust in the leader – in this case the Chair –, but that level was decreased when there was no consideration. From MR6's perspective, issues like the information leak concerning the latest pay reviews and the employee representatives' seemingly apathetic behaviour contributed to lack of confidence about their integrity and benevolence respectively.

In both cases, the Chair is also a member of the DMT. This dual role places the Chair in a position to be a 'champion' of the JCC, neutral to the process or even a negative messenger to the DMT about the committee, depending on their perceptions of employee representatives' trustworthiness. A Chair that proactively supports the JCC would be able to argue for JCC involvement in decision-making where DMTs might be less willing to do so. However, such supportive behaviour from the Chair would only be possible if the relationship between employee representatives and the Chair was a trusting one. A Chair that does not fully trust employee representatives will be more cautious and less willing to take a risk and support the JCC when meeting with the DMT. At the same time, the relationship between the Chair and employee representatives is also an important one. If the Chair is feared and not trusted that could

lead to a tense relationship that hinders employee representatives from expressing their views honestly.

These findings are important for two reasons. First, they support previous JCC literature on the importance of the relationships between management and employee representatives for the successful operation of the JCC. Second, they add to existing JCC literature by highlighting specifically which relationships are of greater importance. These are the indirect relationship between the DMTs and the JCC and the direct relationship between the Chair and the JCC, with the later also having an effect on the former relationship.

## **SUMMARY**

In this chapter, the five stages of the JCC process were discussed, followed by a discussion of emerging issues that were observed in the two cases in relation to the thesis' research question.

Dietz and Fortin's (2007) predictions about the role of trust and justice in the JCC operation and their impact on JCC effectiveness were largely confirmed. Through the five stages discussion, it was argued that both trust and justice perceptions are positively correlated with representatives' perceptions of the forums' effectiveness. Clarity of role and purpose, consistency when applying procedures, unwillingness from the DMT to consult, the Chair, and an expectation mismatch between employee representatives and management were also identified as major influences on the committees' effectiveness.

# 11. Conclusion

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## INTRODUCTION

The findings presented in this thesis provide a substantial contribution to the study of joint consultative committees. By using trust and justice as theoretical lenses to examine the exchange relationships between employee representatives and management, an understanding of the underlying factors that influence these relationships was gained. Furthermore, as the investigation involved different stages in the JCC process, including design, recommendations for practitioners involved with the design and operation of JCCs are also proposed.

The foregoing case studies raise several theoretical and practical issues. Next, this thesis' contribution to the literature on JCCs will be discussed, followed by a discussion of the study's limitations. Recommendations for future research are then directed at the field of JCC research, before I present recommendations for practitioners.

## CONTRIBUTION

This thesis contributes to the literature on JCCs in several ways. These will be discussed next.

As shown in chapter 2, JCCs are located within the broader employee involvement and participation context as one of the most common types of representative consultation (Marchington et al., 1992). Dundon et al. (2004) identified JCCs as a mechanism where voice is seen as demonstration of mutuality and cooperative relations. However, the findings of this thesis have shown that demonstration of mutuality and cooperation will depend on the nature of the relationship between JCC participants. Taking into consideration the Dietz et al. (2010: 247) definition of employee involvement and participation (EIP) (see chapter 2), it is demonstrated in this thesis that 'significant influence over the processes and outcomes of the decision-making' can greatly vary between and even within the same JCC, and it depends on the relationship between management and employee representatives. The level of influence on management decision-making is an issue that has been central within the EIP discussion and is one that can define whether or not EIP schemes are effective.

So far JCC literature vaguely suggested that relationships are important in determining the effectiveness of a JCC (see chapter 2). This thesis adds to this knowledge by identifying *which* relationships have the greatest impact on JCC effectiveness and explore them further using trust and justice as theoretical

lenses. These are the relationships between the DMTs and employee representatives (with the Chair acting as a conduit to that relationship), and between the Chair and employee representatives. Moreover, the empirical studies in this thesis have shown that other important determinants of a JCC's effectiveness are employee representatives' expectations about the purpose of the JCC and their appropriate management mainly from the DMTs and the Chair, and the level of consultation. The significance of these determinants has been demonstrated throughout this study's data analysis. These findings can allow researchers to understand further the dynamics of these relationships and how these affect JCC participants' perceptions of its effectiveness.

As shown in chapters 3 and 4, trust and justice have been identified in the literature as important antecedents of behavioural, attitudinal and organisational outcomes and have been argued to have an impact on JCC effectiveness. Trust specifically has also been recognised as an important factor for effective consultation. This study is the first to use both trust and justice as theoretical lenses to investigate behavioural, attitudinal and JCC outcomes, and also, the only study so far to test the Dietz and Fortin's (2007) theoretical model. The research conducted for this study validated this theoretical model and offered several modifications to its application (see chapter 10). The validation of this model is important for JCC scholars as it provides a comprehensive framework to examine the exchange relationships between JCC delegates (management and employee representatives) and provide a better understanding of the JCC progress over time.

Particularly in terms of trust and justice it was not only shown that both are important for a JCC's operation and effectiveness but also the ways that different elements of trust and justice impact JCC participants' perceptions of its effectiveness. Chapters 7 and 8 offered a more in-depth view of how the different elements of trustworthiness and justice dimensions affect the exchange relationships between JCC participants and their perceptions of JCC effectiveness, with chapter 9 highlighting the direct impact of trust and justice on JCC outcomes. Chapter 10 identified in detail the close links between trust and justice perceptions and how these affect JCC participants' expectations, their views on consultation and the important role of the Chair and the DMTs.

The longitudinal examination of trust and justice highlighted which elements of trustworthiness, and which dimensions of justice are more important when forming trust and justice perceptions in different stages of the JCC process. Specifically, during the first four stages (pre-voice history, design, preparations, and first meeting) employee representatives relied on ability, benevolence and integrity and procedural and interactional justice to form expectations about the JCC's role. During the last stage (subsequent meetings) of the JCC process, and while they were trying to assess whether their expectations were realised or disappointed, they relied more on their evaluation of management's integrity and 'sharing and delegating of control', distributive and procedural justice to shape their trust



and justice perceptions. Management on the other hand relied heavily throughout the process on employee representatives' ability and less so on their integrity and benevolence. It was also demonstrated that management were not substantially concerned with justice dimensions. Several important insights are offered here. First, these findings reveal that different elements of trustworthiness carry different weight in influencing the decision to trust in different situations and for different people (i.e. management and employee representatives). Similarly, findings suggest that when assessing JCC effectiveness, employee representatives place greater importance on distributive and procedural justice than management do. Moreover, by adding justice we managed to add another level to our understanding of the JCC process, one that explains in-depth the impact of fairness perceptions (specifically distributive and procedural) on the consultation process. Such findings provide a more detailed conceptualisation of the JCC process at various stages and from different perspectives (management and employee representatives). A consideration of the potential for different importance placed on different trust and justice elements in different situations and from different people may improve and enhance studies about trust development and justice judgements.

Furthermore, as shown in chapter 2, although JCC literature is extensive, JCC effectiveness has only recently been examined more closely. However, despite several studies investigating JCC effectiveness, there is no common conceptualisation. Moreover, most of this work considers effectiveness (or ineffectiveness) from either an employee or management perspective but not from both. Effectiveness is seen from different levels and different perspectives depending on the aims of each study and it seems that there is no agreement on a wider definition of JCC effectiveness. This is the first study, to my knowledge, that takes into consideration both management and employee representatives' perspective, and identifies JCC effectiveness in terms of four outcomes: (a) its usefulness; (b) its performance; (c) the representatives' outcome satisfaction; and (d) its impact on partnership. The identification of these JCC outcomes offers a new way of analysing JCC effectiveness that moves away from the constraints of assessing it from either a management or employee perspective.

Lastly, this is the first quantitative study on JCCs, known to the author, to test hypotheses and introduce IR climate as a moderator of the relationship between trust, justice and JCC outcomes. As shown in chapter 2, most studies on JCCs so far have used quantitative data in a more descriptive and comparative way rather than proposing specific and testable hypotheses. Furthermore, this is one of a few studies that examines the role of IR climate in a non-unionised environment, and, as shown in chapter 9, offers several interesting insights. Specifically, it was shown that trust and justice have stronger effects on JCC usefulness, JCC performance and partnership within a negative IR climate. These findings can allow researchers to expand their understanding of the impact of IR climate in non-unionised environments.

The findings of this thesis are important for several reasons. Firstly, they contribute to knowledge by verifying that trust and justice do matter in a JCC context. Secondly, they contribute to our understanding of the specific factors that affect the JCC's effectiveness. By identifying these factors and understanding how to achieve JCC effectiveness academics can offer more focused recommendations on how to make joint consultative committees work more effectively. Third, it provides a comprehensive and in-depth understanding of the JCC process above the general knowledge provided so far in the literature.

The several research studies on JCC effectiveness published within the last few years suggest that this is still an important issue. Investigating the reasons and processes that make JCCs effective does matter. Joint consultation mechanisms are a big part of the employment relationship not only in the UK but also all over the world. Since there is no indication that these kinds of mechanisms will deteriorate, a contribution to the understanding of what makes JCCs operate effectively is important because of their potential positive impact (of effective JCCs – the 'active consulters') on employment relationships and possibly organisational effectiveness.

## **LIMITATIONS**

It is recognised that there are limitations to this study that have to do mostly with the research design. Firstly, more insights could have been gained if the decision-making teams (DMT) were also interviewed. As shown in chapter 10, the DMTs of both companies and their decision to consult or not with the committees before final decisions were made, was an important element of employee representatives' perceptions of effectiveness. Interviews with the DMTs would have allowed a better understanding of the reasons behind decisions to not consult with the committees. Indeed, a request was made to interview members of the DMTs, but was refused by both companies. This was due to the DMTs' extremely busy schedule and time constraints. However, by interviewing the Chair, which in both committees was also a member of the DMTs, I was able to gain some understanding of the DMTs' point of view.

The design of a JCC also imposed some limitations to this research, in particular, the size of the committees and the frequency of the meetings. In order to be able to use statistical analysis to examine the relationships between trust, justice and JCC outcomes, a sample size was needed that would allow conclusions to be asserted with some certainty. Although there is no definite answer to the question: 'how large should the sample size be?' (Bryman and Bell, 2011), small sample sizes can limit the statistical strength of the findings. An appropriate sample size is quite difficult to achieve when

measuring perceptions of small groups such as JCCs, where a whole committee (employee and management representatives) does not usually exceed 20 people. An effort to overcome this limitation was the use of repeated measures over a number of meetings. This brings us to another limitation which is the time needed to gather a satisfying number of respondents. It took almost two years to gather 161 responses.

Although a degree of generalisation is possible from this study's statistical analysis, this should not be extremely optimistic due to the small sample size and because this is the first study that is using statistical analysis to test the effects of trust, justice and IR climate on JCC outcomes. More validation of the findings from further similar research is needed.

Despite these limitations, this thesis enabled in-depth insights into the effects of trust and justice on participants' perceptions of JCC effectiveness and was a first step in utilising trust and justice theories and mixed-methods in a JCC context. Taking these limitations into consideration, the next section is focused on recommendations for future research that could address these limitations and develop further the literature on JCCs.

## **RECOMMENDATIONS FOR FUTURE RESEARCH**

Overall the findings of this thesis suggest that justice and trust act as strong antecedents for the majority of JCC outcomes and that justice is a stronger predictor of all JCC outcomes than trust. Additionally, it appears that an adversarial IR climate creates the appropriate conditions for some of the relationships to be stronger; namely, justice and JCC performance, JCC usefulness and partnership, and trust and partnership. Since this is the first study to examine the effects of trust and justice on JCC outcomes and the role of IR climate as a moderator of those effects, further research is required to provide more support and a more complete understanding of the relationships examined here. Furthermore, the results from chapter 9, showing justice having a stronger impact on JCC outcomes than trust, should encourage more research into the effects of justice in a JCC or similar contexts.

Although literature has examined the role of IR climate as a moderator in organisational settings, studies have focused mostly on its role in unionised environments and its impact on union and organisational commitment. As the results presented in chapter 9 suggest, the effect of IR climate may be particularly salient in non-unionised environments. Future research could investigate this moderating effect and whether the direction of the relationship corroborates this thesis' findings.

It would also be interesting to consider the effect of trust and justice on JCC effectiveness in different groups. Specifically, if the relationships are still significant among employee representatives only or among management delegates only. When considering management delegates, the sample could extend to the DMTs as well. A research design, which considers perceptions from different groups, will assist in understanding the salience different groups assign to trust and justice when evaluating JCC effectiveness.

In chapter 10 the importance of expectations and the role of the Chair and the DMTs were highlighted as salient to the trust, justice and JCC effectiveness relationship. Future research could consider examining these aspects. In doing so, valuable knowledge and a better understanding can be gained into the significance of the above factors for JCC effectiveness.

## **RECOMMENDATIONS FOR PRACTITIONERS**

This research is also useful to practitioners involved with the design and operation of JCCs. By understanding the impacts of trust and justice on the JCC's operation, practitioners can design and operate more successful JCCs.

The results of this thesis demonstrate that trust and justice perceptions influence the exchange relationships between employee and management representatives and their perceptions of the JCC's effectiveness. It also demonstrated the factors that JCC participants consider important when assessing the trustworthiness of the other party and which justice dimensions are more important, at each stage of the JCC process. Taking the above into consideration, practitioners aiming to design and operate a JCC that is used for consultation before strategic decisions are made can include trust and justice in the design process.

Although not much can be done about the pre-voice history, practitioners can utilise trust and justice elements while designing the JCC. The JCC's constitution or terms of reference can serve as a guide to the aims and purpose of the JCC. Of course for this to have an effect, all participants need to consistently adhere to these guidelines.

Furthermore, by designing trust and justice in the process, managers will be able to set commonly agreed expectations about the role of the JCC and eliminate to a large degree elements that hinder their decision to take risks (consult with the committee before a decision is reached, at a stage where information is still highly confidential). It was shown in chapters 7, 8 and 10 that when managers evaluate employee representatives' trustworthiness, they take into account their competency levels.

Practitioners can decrease doubts about employee representatives' competencies by organising regular JCC-specific training.

From an employee perspective, one of the most salient factors that influence their perceptions of JCC effectiveness is consultation before a decision is reached. Managers can address this concern by setting clear consultation guidelines that are accepted by employee representatives and consistently adhering to them.

In conclusion, this research has investigated in depth the role of trust and justice in JCC participants' perceptions of its effectiveness. It provided an in-depth understanding into the exchange relationships between employee representatives and management delegates and new insights into JCC effectiveness perceptions. It is also anticipated that this thesis can help practitioners manage JCCs more effectively by taking an approach that supports and enhances trustworthiness and justice expectations and perceptions over all of the JCC stages.

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## APPENDIX

### Survey on relationships and processes in joint consultative committees at \_\_\_\_\_.

This survey is designed to capture any experiences you may have of meeting with, and working in \_\_\_\_\_.

To gather the most accurate data on your experiences, we ask that the survey be completed **at the end of each meeting**, and that **your responses specifically address your views of the committee**. You will be asked questions regarding your experiences of the meeting on \_\_\_\_\_.

**ANSWERS ARE ENTIRELY CONFIDENTIAL. Results will only be reported as a summary report to ALL participants, with no details that could identify individuals such as names, locations or affiliations.**

There are no right or wrong answers, just what you believe to be true for yourself. Please choose the response that you feel is most appropriate, and please answer every question. Thank you very much in advance for your time and effort.

1. Are you Staff-side? \_\_\_\_\_ Management? \_\_\_\_\_

	Not at all	A little	Don't know	Fairly	Very
2. How <i>useful</i> was today's meeting to the workforce?	1	2	3	4	5
3. How <i>useful</i> was today's meeting to the company?	1	2	3	4	5

Please rate the performance of the committee in terms of the following so far:

	Very Low	Low	Acceptable	High	Very High
4. Productivity	1	2	3	4	5
5. Quality	1	2	3	4	5
6. Effectiveness	1	2	3	4	5
7. Overall interpersonal relations among committee members	1	2	3	4	5

*Think about your reaction to today's meeting. To what extent did you feel the following after the meeting:*

	Not at all	Slightly	Cannot say	Fairly	A great deal
8. Delighted	1	2	3	4	5
9. Pleased	1	2	3	4	5
10. Satisfied	1	2	3	4	5
11. Content	1	2	3	4	5
12. Angry	1	2	3	4	5
13. Frustrated	1	2	3	4	5

14. Annoyed	1	2	3	4	5
15. Depressed	1	2	3	4	5
16. Sad	1	2	3	4	5

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
17. In general, I am fairly treated in this committee.	1	2	3	4	5
18. All in all, this committee treats me fairly.	1	2	3	4	5
19. The outcomes we achieved in today's meeting are fair.	1	2	3	4	5
20. I believe that we got a fair deal through today's meeting.	1	2	3	4	5
21. This committee makes decisions in fair ways.	1	2	3	4	5
22. The rules and procedures to make decisions in this committee are fair.	1	2	3	4	5
23. My colleagues on this committee treat me fairly.	1	2	3	4	5
24. One to one, my colleagues on this committee give me fair treatment.	1	2	3	4	5
25. The information sharing in this committee is fair.	1	2	3	4	5
26. The communication through this committee results in fair information.	1	2	3	4	5

Different parties are working together in this committee. When answering the following questions, we'd like you to think of your 'counterpart' group on the committee (i.e. managers, please think about the staff-side representatives; staff-side representatives, please think about managers).

How willing are you to....

	Not at all willing	Not very willing	Somewhat unwilling	Willing	Completely willing
27. Rely on your co-committee members' work-related judgments?	1	2	3	4	5
28. Rely on your co-committee members' task-related skills and abilities?	1	2	3	4	5
29. Depend on co-committee members to handle an important issue on your behalf?	1	2	3	4	5
30. Rely on co-committee members to represent your interests accurately to others?	1	2	3	4	5
31. Depend on your co-committee members to back you up in difficult situations?	1	2	3	4	5

32. Share your personal feelings with your co-committee members?	1	2	3	4	5
33. Confide in your co-committee members about issues that are affecting your work?	1	2	3	4	5
34. Discuss honestly how you feel about your work, even negative feelings and frustration?	1	2	3	4	5
35. Discuss work-related problems or difficulties that could potentially be used to disadvantage you?	1	2	3	4	5
36. Share your personal beliefs with your co-committee members?	1	2	3	4	5
37. Employees and management work together to make this a better place in which to work.	1	2	3	4	5
38. Employees and management have respect for each other's goals.	1	2	3	4	5
39. The parties in this organisation (employees and management) keep their word.	1	2	3	4	5
40. In this organisation, joint management-staff committees achieve definite results.	1	2	3	4	5

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
41. There is a great deal of concern for the other party's point of view in the staff-management relationship.	1	2	3	4	5
42. In this organisation, joint consultation takes place in an atmosphere of good faith.	1	2	3	4	5
43. Employees have a positive view on the organisation's joint management-staff committees.	1	2	3	4	5
44. A sense of fairness is associated with management-staff dealings in this organisation.	1	2	3	4	5



Please summarise what you believe were the most important outcomes of today's meeting, and then please indicate for each outcome how satisfied you are with it.

	Not at all				A great deal
<b>Outcome 1)</b> .....					
45. How satisfied are you with this outcome?	1	2	3	4	5
46. How fair is the outcome?	1	2	3	4	5
<b>Outcome 2)</b> .....					
47. How satisfied are you with this outcome?	1	2	3	4	5
48. How fair is the outcome?	1	2	3	4	5
<b>Outcome 3)</b> .....					
49. How satisfied are you with this outcome?	1	2	3	4	5
50. How fair is the outcome?	1	2	3	4	5

	Not at all				A great deal
51. Overall, how do you feel 'partnership working' is progressing within the organisation?	1	2	3	4	5
52. How far is this committee contributing to the development of good relations within the organisation?	1	2	3	4	5

Please tell us what you like and appreciate about this committee, and how it is working. (Please be as specific as possible.)

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Please tell us what you think could be improved about this committee, and how it is working. (Please be as specific as possible.)

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What would you identify as the strongest influences on the effectiveness of this committee? (Please be as specific and as detailed as possible.)

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This space is for any other comments you'd like to make

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For us to be able to link the responses that you give after each meeting together, could you please give us the first initial of your first name and date of birth? This will NOT be used to identify you; it will only be seen by the researchers and will only be used to link all of your responses for our analyses.

First Initial of First Name:\_\_\_\_ Date of Birth:\_\_\_\_ Month of Birth: \_\_\_\_ Year of Birth:\_\_\_\_

Thank you!