THE DESIRE FOR INCREASED PARTICIPATION: THE VALIDATION OF A FRAMEWORK WITH TWO LARGE NEW ZEALAND COMPANIES

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The goal of the study was to validate a survey instrument which was designed to test a framework describing attitudes to participation. A postal questionnaire was used with a sample of employees of two large companies. The results indicated consistency between the survey instrument and the framework. The participative environment offered by each company, although different, was independent of job status. The degree of participation was related to job status and the participative environment. The overall desire for increased participation was relatively small and was moderated by the degree of actual participation and the participative environment.

1. INTRODUCTION

The importance of organisational participation in Western industrial societies is well documented in the literature (Vanek, 1975). The “participatory enterprise” continues to be seen as the form of the organisation in the future (Walker, 1977; Long and Warner, 1987). Indeed, 83 per cent of the respondents to this survey supported increased participation and believed it would benefit them and their company. The level of support was independent of job status.

Although Smith (1979, pp. 35-36) suggests “… New Zealand lags behind the rest of the world … in the development of industrial democracy and worker participation”, empirical evidence on perceptions of organisational participation in New Zealand is virtually non-existent. Despite the theoretical critiques presented by Smith (1978 and 1979) and Stephens (1982), the most recent empirical survey was undertaken over a decade ago (Department of Labour, 1973 and 1976). In contrast, there has been a greater empirical emphasis in the USA, UK and Australia. Spillane, Findlay and Borthwick (1982) provide a literature survey of research in Australia. Notwithstanding, industrial democracy/employee participation is of topical interest in New Zealand with the recently formed Committee of Inquiry into Industrial Democracy and the “Nissan Way” (Owen, 1989).

Figure 1 describes a framework to explain variations in the desire for increased participation. The arrows reflect the manner in which the hypotheses were framed. Whereas there is little debate that the factors of company and jobs status are exogenous,1 uncertainty must exist over the causal relationship between the three measures of participation.2 A survey instrument (Table 1) was designed to test the framework. It sought to measure:

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Attitudes to Participation

(a) perceptions of the participative environment; (b) perceptions of the degree of participation, actual and desired; and (c) demographic details. Permission was obtained from two listed companies to survey a random sample of their employees across all levels in their hierarchy. The questionnaire was posted to home addresses in mid-1986. Both companies were in the top 20, by market capitalisation, of those listed on the New Zealand Stock Exchange. Company 1 was a manufacturer of food and allied products. Company 2 was a retailer/merchandiser. Both companies had some history of employee participation in that they had recently operated employee share ownership schemes.

FIGURE 1
MODELS TO BE TESTED

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Company

4  3

Job status

2

Personal perception of participative environment

5

Personal perception of actual participation

7  8

8  9

9

6

Personal perception of desire for increased participation

Note:
(a) The arrow numbers refer to the hypotheses.
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The primary goal of the study was to test the framework and validate the survey instrument. This, however, was the subject of an important joint-hypothesis. Unexpected results could be attributable to deficiencies in either the framework or the instrument. There is a small probability that consistent results would occur when either the framework or instrument were defective. A subsidiary goal of the study was to strengthen the research design, utilise a more powerful and efficient statistical methodology and employ a substantially larger sample size than reported before.

There were two biases associated with this study. The first was that directors and employees with less than three years of service with the companies were specifically excluded. The second, and possibly of greater importance, was associated with the relatively low response rates. The desired large sample size (n=453) did not eventuate. Even though follow up letters together with a new questionnaire were dispatched seven weeks after the initial posting, the mean response rate was 28.7 per cent. There was not sufficient evidence that the response rate differed dramatically between the two companies. Nevertheless, it