Employee Concerns Regarding Self-Managing Work Teams: A Multidimensional Justice Perspective

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The increase in the use of self-managing work teams in organizations has been accompanied by growing employee resistance and concern about what such dramatic changes mean to workers. Using an organizational justice perspective, this chapter identifies and examines employee concerns about the move to self-managing work teams in two Fortune 500 organizations. Employee fairness concerns regarding three types of justice—distributive, procedural, and interactional—are highlighted. Findings suggest that to address employee fairness concerns regarding the move to self-managing work teams, managers should act distributively, procedurally, and interactively justly.

KEY WORDS: self-managing work teams; organizational justice; distributive justice; procedural justice; interactional justice.

[Self-managing work teams are] the right way and the only way to be productive.
—Self-managing work team member in a Fortune 500 company

Self-managing work teams (SMWTs), in which groups of people handle day-to-day responsibility for managing the team, job assignments, work planning and scheduling, production-related decisions, and problem solving (Wellins et al., 1990) have proliferated over the past few years (Lawler et al., 1992;
SMWTs have their origins in the Tavistock studies in post-WWII England (Trist and Bamforth, 1951). The current emphasis on SMWTs is embedded in a total organizational shift to flatter hierarchies. The motivation for this shift is enmeshed in the environment of organizational realignment begun in the 1980s and continuing today. Organizations moving to a SMWT structure seek quicker customer response time, higher productivity, greater flexibility, innovation, lower costs (due, in part, to less management), and higher quality (Manz and Sims, 1993). The success of early attempts at SMWT implementation, or lack thereof, was often attributed to their poor fit with the organizations in which they were embedded (e.g., Trist et al., 1977). Yet, this oversimplification may have masked more fundamental problems associated with SMWTs that are surfacing only now with their widespread proliferation. The success of organization-wide adaptation of SMWTs may turn on the attention given to issues of distributive, procedural, and interactional justice.

In this chapter we develop the implications of employee concern about distributive, procedural, and interactional justice for the success of SMWTs. We rely on data from 42 SMWTs in two organizations to identify the justice concerns of SMWT members. We then develop the implications of these justice concerns for the design and support of SMWTs. We begin by reviewing the evidence on, and the reasons for, the increasing use of SMWTs in organizations.

SMWTs: INCREASINGLY USED, BUT WHY?

Recent organizational surveys indicate that SMWTs are here to stay (Lawler et al., 1992; Towers Perrin, 1991). For example, of the 862 executives surveyed by Wellins et al. (1990), over 90% expected to have more than 10% of their work force involved in self-managing work teams by 1995, and 47% expected to have more than half involved by then. In a study of 313 organizations, Lawler et al. (1992) found that the use of SMWTs increased from 28% to 47% from 1990 to 1992. More recently, in a study of almost 700 firms, Osterman (1994) found that over 50% of the firms use SMWTs, and that over 40% have more than half of their work force operating in SMWTs. Osterman also found that the growth of SMWTs has outpaced other workplace innovations such as total quality management programs, quality circles, and job rotation. Manz and Sims (1993) estimate that by the year 2000, 40-50% of the United States work force will be in SMWTs. Examples of companies that can be counted among those already using SMWTs include Corning, Saturn, Xerox, Levi Strauss, NUMMI, and AT&T (Appelbaum and Batt, 1994).