Workplace consultation: Employee participation in decision making

Strategies to encourage employee involvement through participatory, consultative and cooperative workplaces have been widely promoted since the 1970s. High performance workplaces promote employee participation in decision making because they understand that employees have a legitimate right to be involved in decisions that affect their working lives, and that positive gains also accrue to business. These gains include:

- improved employee performance resulting from greater motivation
- a positive workplace culture as an outcome from greater information sharing, and
- improvements in productivity when employees are consulted over changes to job design and work practices.

How to use this fact sheet

This fact sheet aims to help your organisation move to a style of decision making that involves and includes all employees. It includes ideas on how you might achieve this, as well as examples from other organisations where employee participation strategies have been successfully implemented.

While there are some broad principles or guidelines that can be used to enhance employee participation, it is important to remember that each organisation is different, so the tools and techniques that work may differ. You will need to tailor any ideas to your own unique situation.

However one thing is certain. In order to successfully move to a more participatory organisation, change must be led from the top and be based on agreement and consensus between all involved – managers, employees and any representative body such as a trade union.

Successfully implementing employee participation requires a step by step approach and this fact sheet sets out a three-stage process to assist. And although this fact sheet focuses on employee participation in decision making, it must be seen in the context of the other strategies canvassed in related fact sheets.
First stage – starting out

Best practice organisations ensure they maximise all resources. This includes their key resource – their employees. Organisations are successful because they are good employers. They attract and retain the most skilled employees. They involve employees in decisions impacting on the business and they actively encourage employee participation in decision making.

Ideas worth trying

Encourage discussion around work-related issues. Spend time getting to know employees and make time to listen to problems, ideas and aspirations, while retaining the right to take action or not.

Strategies to encourage participation could include:

- regular staff meetings in which each employee actively participates. These need not be long, but regular meetings keep people in touch with each other and the work being done
- discussion between individuals or groups of employees with immediate managers within the context of regular performance reviews, reviews of training and developmental needs
- arm’s-length arrangements that enable individual employees to express their views through a ‘third party’ such as their union representative, a counsellor or advocate or through attitude surveys and suggestion schemes, and
- regular communications such as newsletters.

Unions are a key channel to greater employee participation in decision making. They provide the opportunity to canvass ideas and to obtain feedback.

Work teams also provide a good opportunity for meaningful participation at the workplace level. Research indicates that self-managed teams have greater motivation than individuals or loosely connected groups.

Everyone won’t want to, and in fact cannot, be involved in every workplace decision. A collective voice through a more formal mechanism such as a joint consultative committee can ensure that employees’ views are taken into account.

» Good practice

Hazelwood Power management has adopted a policy of ‘openness and honesty’ with staff and unions and has put in place an open email system whereby any employee can address questions to the CEO.

» Avoid

Don’t make promises you can’t keep. Always respond to ideas, and if they can’t be implemented, explain why.
Second stage – moving forward

An organisation that values and encourages employee participation in decision making must be proactive. As employees become more aware of and confident in their ability to impact on decisions, they will anticipate that their decisions will be acted on. Organisations that value employee participation place as much emphasis on doing as they do on listening.

Ideas worth trying

Occupational Health and Safety, Equal Employment Opportunity and Environment/Risk/Process Improvement are just some of the joint consultative and employee-based groups that can further the goals of the organisation. Many organisations also set up cross-functional and/or temporary teams to tackle specific problems; for example, arrangements for moving to new premises.

Enterprise bargaining provides a framework for employee participation around issues. A consultative committee formed to undertake the enterprise bargaining process can have a broader role in ongoing decision making through the overseeing of projects rolling out from the enterprise agreements.

Cross team participation can be encouraged via:
- team leader meetings,
- informal discussion sessions.

Email and electronic discussion groups can be used for quickly getting information out to the workforce and back again.

Responsive action and recognition, as well as feedback on outcomes, encourages employees to put forward ideas and suggestions.

Set up an employee/employer committee to oversight organisational change projects at the initial decision making stage.

» Essential

Set an example from the top. Senior management need to be seen to be listening and acting on views and decisions of employees

» Good practice

The HR philosophy at Symex Holdings is about getting employees to have ownership rather than be bystanders. It is about giving employees the skills and knowledge, and providing the sympathetic structure to enable people to act.
Third stage – new horizons

Employee participation becomes a part of all workplace practice and culture. Employees anticipate an ongoing role in decision making, and employee participation is recognised as the organisational culture.

Ideas worth trying

Delegate and encourage participation – encourage employees to take a level of responsibility for organising and doing their jobs without constant reference back to management.

Regularly seek employee feedback through the organisational climate survey and then act upon it. Encourage employee suggestions and acknowledge employees for their roles in any improvements.

Ensure employees are aware of the outcomes of any strategies they have suggested to encourage participation.

Continually review and improve upon strategies to encourage participation - continuous improvement.

Teams become more experienced in decision making and they begin to take over leadership roles usually left to managers. Team leadership is able to be shared to meet changing circumstances. Everyone gets regular opportunities for skill development, and the team, rather than the manager alone, can decide the order of work.

Remember that participation is not an end in itself. The purpose is to improve working life and work performance.

» Essential

Although each organisation is different and avenues for participation must be tailored to specific needs and culture, valuing people’s views and opinions is the key principle.

» Avoid

Avoid slipping back into dependence on managers making hard decisions in isolation.