



Workplace consultation

We know from research and our own working lives, that the experience of work and working life in general is affected by the types and extent of workplace consultation. While we expect certain rights to participation and consultation as citizens, those rights are given different status inside the paid workplace. Indeed, we judge the quality of our democracy by the amount and quality of rights to participate in political decision-making. Workplace consultation is linked to broader concepts of employee voice and participation in decision-making. Employee voice can be defined as a two-way process of communication characterised by an exchange of information. Benson & Brown¹ identify three dimensions of employee voice: the provision of information by management to employees, the willingness of management to listen to employees and management's preparedness to discuss work-related problems and issues.²

In order to better understand factors that may influence perceptions about workplace consultation, employees in the *Australia at Work* study³ were asked to respond via a five point agree-disagree scale to the following statement:

Managers consult employees about issues affecting staff

In 2010, just under three-quarters (72.6 per cent) of employees interviewed either strongly agreed or agreed with the above statement⁴. However of particular concern is that almost one-in-five (19.3 per cent) of employees do not agree that management consult with them about issues affecting staff.

¹ John Benson and Michelle Brown, 'Employee voice: does union membership matter?', *Human Resource Management Journal*, Volume 20 No 1, July 2010: 80 -99.

² Information in this factsheet is an extract from a research paper "Undercover Boss: What Australian employees think about their managers" by Sally Wright (forthcoming). The full paper is available from the author.

³ The *Australia at Work* study is being conducted by the Workplace Research Centre at the University of Sydney Business School. The project is funded by the Australian Research Council's Linkage Grant scheme and the industry partner is Unions NSW. Further financial support is provided by CFMEU Energy & Mining Division, CFMEU ACT Branch, NSW Nurses' Association, the Police Federation of Australia, the SDA, the CEPU, the QLD Nurses Federation and the Nurses Federation (Victorian Branch). The study is a five-year longitudinal telephone survey of people who were aged 16 to 58 years and in the Australian labour force in March 2006 (i.e. prior to the implementation of the *Work Choices* legislation on 27 March 2006). New entrants and re-entrants to the labour force after March 2006 were not 'in-scope' for the study.

⁴ Care should be exercised when comparing or combining the data from this study with that from other sources, especially the Australian Bureau of Statistics. Differences primarily arise because the *Australia at Work* study has gone back to survey the same people each year whereas the ABS generally gets a new cross-sectional sample each time a survey is conducted. Further technical details as well as substantive findings arising from the *Australia at Work* study can be found at: <http://www.australiaatwork.org.au/index.php>.

Attitudes vary among different groups of employees

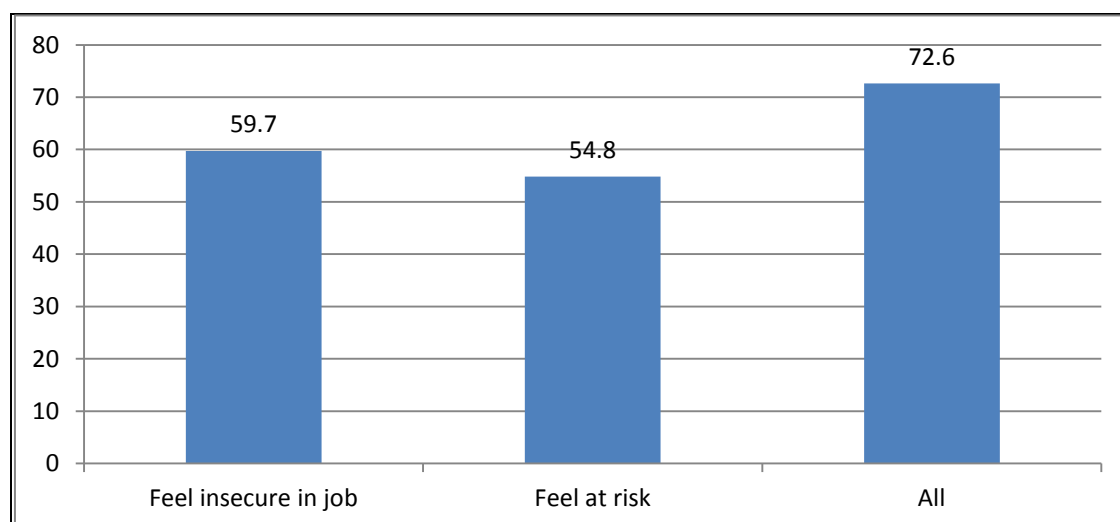
Employees occupying managerial roles generally hold more positive views around workplace consultation than non-managerial employees (82.5 per cent and 77.6 per cent respectively). Among employees in non-managerial roles:

- Older workers (i.e. 67.8% of those aged 45 yrs) and those with longer job tenure (i.e. 67.5% of those with more than 10 yrs tenure) are less likely to think that their managers consult around issues affecting staff.
- Casuals (76.0%) are more likely than permanent employees (70.5%) and those engaged on fixed term contracts (70.7%) to hold positive views on workplace consultation.
- Employees in the Not for Profit sector (76.5%) hold more positive views around workplace consultation than employees in either the private or public sectors (71.4 and 69.4% respectively).
- Employees in small workplaces are more likely (74.4%) than in medium (72.6%) or large workplaces (67.4%) to hold positive views around workplace consultation.
- Union members (65.9%) are less likely to believe that managers consult employees than non-union members (73.4%).

Job security, workplace safety and workplace consultation

Job security and workplace safety are two aspects of the work environment that impact on employee attitudes to workplace consultation. Figure 1 charts the relationship between reported attitudes of non-managerial employees to workplace consultation depending on perception of job security and risk of work-related injury or illness. It shows that perceptions of job security materially affect attitudes to workplace consultation. Perceptions around workplace consultation is lower for employees who feel insecure in their jobs (59.7 per cent) and for employees who feel at risk of suffering a work-related injury or illness (54.8 per cent) compared to the overall response level (72.6 per cent).

Figure 1, Non-managerial employees' attitudes to workplace consultation by job security and risk of work-related injury or illness, 2010, per cent



Note: Responses of (dis)agreed and strongly (dis)agreed/disagreed with the statement were combined.

Population: Non-managerial employees in Waves 1 to 4 inclusive only

Source: Australia at Work Wave 4

What do our findings suggest?

A large segment of non-managerial employees are happy with the consultation in their workplaces. Amongst those who are not happy, age is one of the key factors of difference. Consultation is recognised as important for engagement. Our findings suggest that managers interested in improved performance need to devote special attention to older and longer serving workers. Older workers and/or those with longer tenure may have higher expectations from management or may have already experienced the inadequate management consultation over key workplace issues.

More broadly, and unsurprisingly, workers who feel insecure about their employment security or who feel at risk of a work-related injury or illness report lower levels of approval about managerial consultation.

Much industrial relations 'reform' has been informed by the virtue of choice - for both employers and employees. This research suggests a counter-tendency to that policy momentum - security and safety. People who feel insecure and unsafe also do not feel like they are participating in decision-making at work.